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(WITH CYRIL ASQUITH)

GREAT BRITAIN

EMPIRE AND COMMONWEALTH

[1886-1935]

by

J. A. SPENDER



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PREFACE

HISTORY is a symphony of many parts, which, owing to the limitations of the writer's art, need to be written out separately though all are performed together. To convey the effect of their simultaneity is increasingly difficult as the parts grow more numerous and the notation becomes more complicated—so difficult that many writers have frankly abandoned it and fallen back on dealing with its themes in separate compartments, which only need alphabetical headings to become encyclopædias of the periods dealt with.

Something no doubt is gained by this treatment, but a good deal is lost and especially that sense of consecutive development which in spite of all complications and side-issues, dwells in the memory of those who lived through a particular period. I have tried in this book to preserve the sense of things happening as they seemed to a contemporary to happen, but some breach with strict chronology is unavoidable at times, and some subjects cannot be involved in a general narrative without becoming confused. Certain of these I have reserved to a separate section at the end which I have termed a "commentary," and in this I have felt free to express opinions on economic and social questions which could not without presumption be incorporated in a historical narrative. I will only ask the reader to read on to the end before concluding that subjects which he may think important have been ignored.

This book necessarily includes many transactions in home and foreign affairs which I have studied in detail in previous books, biographical and historical, and I have repeated a few short passages and phrases from these without inflicting on the reader the references which would be necessary, if I were borrowing from other writers. But the whole of what follows has been written anew from the beginning in an effort to bring home and foreign affairs into one framework

PREFACE

of British history written from a British point of view. This book therefore is not an expansion of my shorter history¹ but a work on an entirely different scale, taking in much that would have been out of place in the simple narrative of facts and events that the former book was intended to be—much, as I am aware, that is controversial and like¹ to remain so for many years to come. For one who has been occupied as a political journalist with the events of the period dealt with memory supplies an unescapable background, and memory is sometimes charged with a bias which it would be idle to conceal. I have not tried to conceal it, but I have tried to supply the reader with facts and considerations which may enable him to form his own judgments when he differs from mine.

It would be useless for me to try to enumerate the books to which I am indebted, and I have confined myself to setting down in an appendix those which I have found to be the more useful guides to the facts of this period. The records are so voluminous and bewildering that the historian of the future will need a cool head, if he is not to lose his way among them, but he will always have at his elbow the great series of documents, British, German, French, Austrian, etc., to prevent him from straying too far from the main road.

One personal debt I must acknowledge and that is to Professor Lionel Robbins, who has very kindly read the economic chapters in the final section, and made many valuable suggestions. He is, of course, not in any way bound by my conclusions.

In most cases I have supplied references in full, but in two cases I have used the now-established abbreviations: for the German Documents "G.P." (*die Grosse Politik der Europäischen Kabinette*), and for the British "Gooch and Temperley," the names of the two distinguished editors.

J. A. S.

¹ "A Short History of Our Times," published in 1934, 2nd edition, 1935. (Cassell).

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Whig duke sent his portrait of Mr. Gladstone to the auction room ; others turned theirs to the wall or consigned them to the cellar. Mr. Gladstone himself remained composed and buoyant. He had weathered many storms and nearly always seen the tide in his favour rise a little higher than the tide against him. As the election approached the Liberal organizers assured him of victory. Enthusiasm, they said, was running high in the party ; with the Irish vote added to their previous numbers they would win many seats lost at the previous election, and lose very few in consequence of the new departure. But Lord Randolph's phrase, "an old man in a hurry," had caught the public fancy and expressed a serious truth about the British electorate. The staunch Liberals were as enthusiastic as Mr. Schnadhorst, the organizer-in-chief, asserted, and it was truly reported from the country that there never were such meetings. But the large body of wavering non-political voters, upon whom in these days the fate of parties depended, were unconvinced and perplexed. Mr. Gladstone, they felt, was trying to rush them ; he had omitted the spade-work, the respectful approach and serious argument which so large a departure as he was now proposing from the traditional road demanded. When the election came, the great majority of these voted, if not in opposition to Home Rule, at least for more time. Liberal Nonconformity was greatly disturbed by John Bright's defection and Mr. Spurgeon's fears for Protestantism in a Home Rule Ireland ; the Radicals of Birmingham and the Midlands, who were ready for any adventure under Mr. Chamberlain's leadership, turned at his bidding and generally adopted his view that the new Irish policy was a disastrous and unnecessary diversion from the line of progress marked out for Great Britain in his "unauthorized programme" of the previous year.

Mr. Gladstone's spell was broken, and by mid-July, when the elections were over, he had suffered a disastrous defeat. In the new House the Conservatives alone (316) had a majority of 40 over the combined forces of Liberal Home Rulers (191) and Irish Nationalists (85), and with the 78 Liberal dissentients who followed Lord Hartington and Mr. Chamberlain, the Unionist party had a total majority of 118. Birmingham was solid for the Union, London overwhelmingly Tory ; the Tory tide had swept over counties and boroughs and made large inroads in Scotland. Within nine months of the

previous election, the whole political complexion of the country was changed and a schism created in the Liberal party which with one short interval was to keep it out of power for twenty years. On July 20 Mr. Gladstone resigned without waiting to meet the new Parliament, and the next day Lord Salisbury received the Queen's commission to form the new Government.

2

Lord Salisbury's first move was to invite Lord Hartington, the Whig leader, to form the Government with an assurance of Conservative support—a proposal which Lord Hartington very prudently declined. He judged that, by whatever name it might be called, the new Government would be recognized by the country as a Conservative Government, and that absorption into a Conservative combination was more than Mr. Chamberlain and the Radical wing of the Liberal dissentients could be expected to stand at this moment. Lord Salisbury, accordingly, formed a purely Conservative Administration with the veterans of the Disraelian era still in the high places. But one striking new departure he made in the appointment of Lord Randolph Churchill, the author of the savage invective quoted on a previous page, as Chancellor of the Exchequer and leader in the House of Commons. Lord Randolph was only thirty-six years of age, and until he had been harnessed to office as Secretary of State for India in the "stop-gap" Government of the previous year, he had been chiefly known as a brilliant *frondeur*, incomparable in the art of drawing and baiting Mr. Gladstone, but also a thorn in the side of his seniors in the Conservative party. That he would be unmanageable in any position except one of complete responsibility seems to have been the conclusion both of Lord Salisbury and of Sir Michael Hicks Beach, whom he superseded as leader in the Commons, but his seniors regarded his promotion with scarcely disguised impatience; and to Liberals it seemed as if Lord Salisbury had gone out of his way to emphasize the note of personal antagonism to Mr. Gladstone, which had so greatly embittered the election. It was also remembered that Lord Randolph had incited the Orangemen of Ulster to physical resistance to Home Rule, and was held responsible by large numbers for the savage rioting which had taken place in

Belfast during and after the election. His dictum that "Ulster will fight and Ulster will be right" was to be the accepted slogan of the Unionist party twenty-seven years later, but in 1886 it shocked and scandalized old-fashioned supporters of the "party of law and order."

When the new Parliament met for business on August 19, there were many doubts about the future. A considerable number of the Liberal dissentients had nothing to attach them to the Tory party but a common antipathy to Mr. Gladstone's Irish policy, and whether this alone would serve to keep a Tory Government in office for the normal period was very uncertain. Mr. Gladstone was seventy-seven years old, and on the whole it seemed the likelier event that on his departure from the scene, which could not be long delayed, Mr. Chamberlain and his group would compose their differences with their former party and make an end of Lord Salisbury's Government. Two factors, however, played into Lord Salisbury's hands. The first and chief was the inexhaustible vitality with which the "old man in a hurry" went crusading for the Irish cause, and by so doing kept its opponents united; the other, Chamberlain's determination to go all lengths in opposing Mr. Gladstone's policy.

In Chamberlain's political philosophy there was no room for middle courses or half-way houses. You were for or against a given policy, and, if against, then ruthlessly, remorselessly, with no regrets for the past, or sentimentality about old friends and the pain of separation. Within a few weeks of his resignation from Mr. Gladstone's Government Chamberlain was turning the whole of his formidable batteries upon his former colleagues, and bringing to the support of the Tory party the incomparable democratic and demagogic gifts which a few months earlier had made him the idol of the Radicals and the despair of "the dukes." Every speech he made whether in Parliament or on the platform widened the gulf between the Gladstonians and the dissentients, and though they retorted by placing his former and his present utterance in deadly parallel, he passed to a new offensive without deigning a reply to these critics. Away with Radical programmes and all former loyalties and prepossessions while the Union was in danger. From this beginning the Radical leader was to travel along the road which made him the great Imperialist of later years. Not merely to resist the disintegration of the Empire,

but to make the cause of Empire their own, and to exalt and spread the Imperial doctrine became the cue of all Unionist orators in these years, and it led in logical sequence to the spirited policies which marked the last years of the nineteenth century and reduced Liberalism to its nadir. The Unionist party, meanwhile, was firmly in the saddle and the rising tide of Radicalism which had followed the enfranchisement of the labourer in the autumn of 1885 was thrown back for a generation.

Salisbury's prescription for Ireland was "twenty years' resolute Government," which became, in practice, six years of coercion under the Crimes Act. In a burst of candour Parnell confided to Asquith that Coercion was a feasible policy if consistently applied for a long enough period, but he was quite sure that the British people would not persist in it until the Irish were cowed. It was a shrewd diagnosis of the temper of both Irish and British which was to be verified by much experience in later years, but at the moment the Irish question could not be reduced to any such simple terms. There was a land system which no one in either party could defend, and an administrative system which had little or no touch with Irish life. Harsh evictions for the non-payment of rents which everybody admitted to be excessive were the rule in large parts of Ireland, and the only available remedy, the state regulation of rents, was one which ran counter to the deepest convictions or prejudices of British Conservatives. The struggle of politicians for Home Rule went on simultaneously with the struggle of the peasantry against the landlords: both were blessed by the Church and watched with sympathy by immense numbers in Great Britain who were more and more kindled by the impassioned oratory of Mr. Gladstone. A Government detached from the Conservative tradition of the British landed class might have dealt drastically with the Irish land system, and converted Dublin Castle into a benevolent despotism administering a humane law. A Government bound by that tradition could live only from hand to mouth claiming to administer the law with a firm hand, but in reality engaged in a guerrilla war with politicians and peasants which left the causes of disorder untouched and to which a term was set by the life of the British Parliament.

3

Before the end of the year 1886, Salisbury found himself plunged into a controversy in his own party, of which he had no foreboding when he formed his Government. On October 2 Lord Randolph Churchill, now Chancellor of the Exchequer, made a speech at Dartford which set the waters in a roar. In foreign affairs he denounced the kidnapping of Prince Alexander of Bulgaria, and dwelt in fervent language, which uncommonly resembled a Gladstonian peroration, on British sympathy with the liberty-loving peoples of the Balkans. A sentence slipped in which suggested that Great Britain would look on with satisfaction while Austria did the business of defending liberty, escaped general observation, but since the speaker had been energetic behind the scenes in opposing the idea of assisting Austria unless it was certain that Germany was behind her,¹ this must be taken as the substantive part of his rhetoric. It was, however, not the foreign but the domestic part of his speech which caused the greatest excitement. In this he boldly proposed to annex for the Tory party a large part of what was then the Liberal programme. The derided Radical notion of "three acres and a cow" now reappeared as allotments for labourers with a handsome compliment to Chamberlain and Jesse Collings for their pioneer work in this field. The transfer of land was to be made cheap and easy, the tithe taken off the backs of farmers and put on to the backs of landlords; the House of Commons was to be reformed, local Government extended, Royal Commissions were to be set up to explore all aspects of the Irish problem, and to overhaul the British departments "with a view to a considerable reduction of public expenditure" and consequent reduction of taxation. "I shall be bitterly disappointed," he said, "if it is not in my power after one year, or at any rate after two years, to show to the public that a very honest and a very earnest effort has been made in that direction." Peace, retrenchment and reform was thus inscribed on the banner of what was now called "Tory democracy."

In themselves these proposals were not revolutionary, and they had

¹ "Life of Lord Randolph Churchill," Vol. II, pp. 162-3. Letter to Lord Salisbury.

apparently been sanctioned "in principle" by the Cabinet. But Liberals detected in them an infringement of their copyright, and Tories saw in the manner and tone of the speech a thinly veiled challenge to the older members of the Cabinet and even to Salisbury himself. Even so, it would have been a nine-days' wonder, if in the next few weeks the speaker had not shown himself in deadly earnest about retrenchment, that most invidious of the virtues when it descends to details. Before November was out he was in acute conflict with the "spending Departments," Admiralty and War Office, "daughters of the horse-leech," as Sir William Harcourt called them seven years later; and upon the last £300,000 of the reductions which he demanded the placid and amiable Mr. W. H. Smith, then Minister for War, proved as stubborn as a hundred mules. Called upon to choose between the two men, Salisbury chose Smith, and on December 22 Lord Randolph conveyed the news of his resignation to *The Times*, incidentally short-circuiting the consecrated procedure which required such a communication to be made first to the Sovereign.

Lord Randolph is supposed to have said afterwards that he "forgot Goschen," the distinguished Liberal-Unionist financier, whom Salisbury now appointed to fill his place, and who consented to join the Conservative party to avoid a breach of the rule that the Cabinet should consist of Conservatives only. In any case the event proved that, in so far as he meant his resignation to be a political coup, Lord Randolph greatly over-estimated his position in the Unionist party. He was already complaining that his Dartford programme had been reduced to a shadow in the Cabinet which followed his speech, and orthodox Conservatives were glad to be quit of both the programme and its author in a manner so convenient to themselves. His failing health in the subsequent years prevented the drama from being played out, but for years to come his sudden fall from his pinnacle by his own act was cited as a warning to budding statesmen against asserting themselves by the perilous expedient of resigning their office. "The old man in a hurry" now had his counterpart in the precipitate young man, and from this time onwards the resignations of Ministers, so familiar an incident in the records of the previous years, almost disappear from Cabinet history.

The correspondence between Lord Randolph and his chief during these weeks, as revealed in Mr. Winston Churchill's "Life" of his father, is even now one of the most interesting sidelights on the inner disposition and character of British parties at this time. "I am afraid," wrote Lord Randolph to the Prime Minister, "it is an idle schoolboy's dream to suppose that Tories can legislate—as I did stupidly. They can govern and make war and increase taxation and expenditure *à merveille*, but legislation is not their province in a democratic constitution. . . . I certainly have not the courage to go on struggling against cliques as poor Dizzy did all his life." This outburst drew a paternal, if slightly cynical, reply from the Prime Minister :

I fully see all the difficulties of our position. The Tory party is composed of very varying elements, and there is merely trouble and vexation of spirit in trying to make them work together. I think the "classes and the dependents of class" are the strongest ingredients in our composition, but we have so to conduct our legislation that we shall give some satisfaction to both classes and masses. This is specially difficult with the classes—because all legislation is rather unwelcome to them, as tending to disturb a state of things with which they are satisfied. It is evident, therefore, that we must work at less speed and at a lower temperature than our opponents. Our Bills must be tentative and cautious, not sweeping and dramatic. But I believe that with patience, feeling our way as we go, we may get the one element to concede and the other to forbear. The opposite course is to produce drastic, symmetrical measures, hitting the "classes" hard, and consequently dispensing with their support, but trusting to public meetings and the democratic forces generally to carry you through. I think such a policy will fail. I do not mean that the "classes" will join issue with you on one of the measures which hits them hard, and beat you on that. That is not the way they fight. They will select some other matter on which they can appeal to prejudice, and on which they think the masses will be indifferent; and on that they will upset you. My counsel therefore is strongly against this alternative; and it would be the same if I had no interest in the matter, and was merely an observer outside the Ministry advising you. Your rôle should be rather that of a diplomatist trying to bring the opposed sections of the party together, and not that of a whip trying to keep the slugs up to the collar.¹

This was cold comfort to the patentees of Tory Democracy, but it

¹ "Life of Lord Randolph Churchill," Vol. II, pp. 224-5.

succinctly expressed the philosophy of the party system as understood in these days. The business of a Conservative party was to be conservative; its centre of gravity was the "classes," and it strayed from its orbit when it wooed the masses, or made more than the minimum of necessary concessions to them. Fifteen years later Campbell-Bannerman was to be heard expounding the same doctrines to the Liberal party with the terms reversed. In the opinion of these elders, the party system would only work when the two parties kept within their boundaries.

4

Lord Randolph's abortive Budget, which also is fully described by his biographers, affords a convenient starting-point for tracing the course of finance in the subsequent years. What faced him and what appalled him was a total expenditure, including provision for the National Debt, of over £90,400,000 a year. He proposed to reduce this to £82,000,000, and by increasing death-duties and adding sundry small new taxes, to provide himself with a surplus of £12,500,000. This was to be applied to reducing the tea-duties and tobacco taxes, and bringing the income-tax down from 8*d.* to 5*d.* in the pound. The plan broke down over the refusal of the War Office and Admiralty to concede a few hundred thousand pounds on the economy side of the account, but it remains on record as a measure of the financial opinion of these times. A ninety-million Budget was the legitimate target of economists in all camps and not least of Liberals preaching retrenchment and reform. That the hundred millions would be reached by the end of the century, if this went on, was one of the gloomiest predictions of those who denounced "profligate expenditure," but it was still thought to be a flight of rhetorical scare-mongering. In these years the hundred million Budget and the shilling income-tax were marked together in the public mind as the final stages on the road to ruin.

Two ideas entered into the current opinion on public finance. One that money was best left, as Mr. Gladstone put it, to "fructify in the pocket of the taxpayer"; the other that a low level of taxation in time of peace left a large taxable reserve to be called up if need be in time of war. Chancellors of the Exchequer looked back with pride

to the relative ease with which Great Britain had financed not only herself but her partners and allies in previous wars, and dwelt on the need of frugality in peace as the condition of being well equipped and supplied in time of war. War was still in these days regarded by both political parties as a legitimate instrument of policy, which might be brought into play by any unexpected turn of events or any foreign challenge to British interests or prestige.

5

It is one of the standing differences between British and American politics that whereas in America a political party which has been defeated on a major issue evacuates the unfavourable ground as speedily as possible, a British party in like case starts a new campaign for the recovery of the lost position. In America bimetallism was a lost cause after the defeat of Mr. Bryan in 1896, and the League of Nations after the defeat of Mr. Wilson in 1920. In Great Britain the defeat of Home Rule, like the repeated defeats of Protection in subsequent years, was merely the signal for renewed efforts by the defeated party.

Mr. Gladstone was undaunted by the catastrophe of the General Election of 1886. He sat down and wrote a fifty-page pamphlet on the Irish question abating no jot of his proposals or of his determination to make them prevail. We get a glimpse of him a little later staying at Tegernsee as the guest of Lord Acton, and climbing the Bavarian mountains in the company of his old friend, Dr. Döllinger, to whom a copy of the pamphlet was given. His spirits rose in the mountain air, and on returning home he threw off an article on the second part, lately published, of Tennyson's *Locksley Hall*, in which a buoyant optimism and confident belief in human nature and progress was brought to bear on the poet's despondency. Then he turned to theology and marched to the defence of the faith in a review of Mrs. Humphry Ward's "Robert Elsmere," incidentally making the fortunes of that book, and involving him in a long correspondence with Lord Acton about the credentials of the early Fathers. Such was Mr. Gladstone, and through it all he was reading Irish history and becoming impassioned about the iniquities of the Act of Union and the errors of British statesmen before and after. The theme filled him to overflowing, and he deemed it his mission from now to the end to take

the scales from the eyes of his countrymen and induce them to make amends for the long-established wrong.

His task was no easy one. Mr. Gladstone was a man of law and order; his Irish allies thought most things lawful in their battles with the Saxon, and were with difficulty brought to understand the limits thought proper by English Liberals fighting a constitutional battle. Having been foiled for the time being in their political aims, they now turned to agrarian agitation. The first act of their leader, Parnell, in the new Parliament was to introduce a Land Bill proposing the abatement of rents fixed before 1885, provided it could be proved that the tenants were unable to pay the full amount and were ready to pay half that amount and arrears. Proceedings for recovery were to be suspended on these conditions. It was not to be supposed that a Conservative Parliament would consent to wipe out 50 per cent. of Irish rents at a stroke and the Bill met its expected fate in the new House of Commons which rejected it by 297 to 202 (Sept. 21, 1886). The Irish retaliated with the "Plan of Campaign," by which the tenants of a given estate agreed with one another what abatements they thought just in the current half-year's rent, and having deducted this, proffered the remainder to the landlord or his agent. If he rejected this it was handed on to a Committee for use in the expected struggle with the landlord. There could be no two opinions that this constituted an illegal conspiracy, or that it was a direct challenge to the Government. On the other side, there was no doubt that the great majority of the farmers were unable to pay their rents, and that many of them were on the verge of starvation. It was the case, more familiar in later days, of rents and mortgages fixed on a level of prices which had fallen steeply in the subsequent years, and in 1886 the consequences in Ireland were much the same as in Western America in similar circumstances after the war. The landlord had his remedy in evictions and forced sales, but it could not be enforced without throwing the country into disorder.

Parnell disapproved of the Plan of Campaign, and, being unable to restrain his colleagues, he vanished from the scene for the greater part of the next twelve months. He thought that after the conversion of the Liberal party to Home Rule, the struggle should be kept on the political plane and not switched back to the agrarian. He foresaw

the embarrassment to the law-abiding Liberals in the struggle which would follow. He was moreover a landlord himself and had a latent sympathy with the landowning point of view. To all this his lieutenants replied that the situation would not wait on any of these expedencies, and that disorder was just as sure on the one line as on the other. In any case it followed. In vain did the new Chief Secretary, Sir Michael Hicks Beach, and his emissary, Sir Redvers Buller, appeal to the landlords not to insist on their legal rights. The landlords were quite sure that they knew Ireland better than these British officials; they knew that the tenant could pay, if he were pressed; they were persuaded that the whole fabric of law and order would go to pieces if they yielded either to the threats of the "rebel" Irish or the blandishments of their English friends. As the winter came on evictions multiplied and were attended by scandalous scenes. but in the great majority of cases the landlords found themselves compelled either to accept the reduced rents or get nothing and turn their tenants on to the roadside amid the execrations of their neighbours. The vision of a quiet Ireland peacefully accepting the rejection of Home Rule was now rapidly fading, and the country was committed to the struggle between "conciliation and coercion" which was to fill the next five years.

Meanwhile the Cowper Commission had been exploring the situation in Ireland and in February, 1887, it told the Government that legislation of the kind that their Chief Secretary had denounced as a surrender to blackmail had become imperative. In March they introduced a Bill which, though falling short of the general revision of judicial rents which the Commission recommended, yet gave the Courts power to abate arrears, and finally to fix reasonable rents for the remainder of the judicial term. In the meantime Sir Michael Hicks Beach had resigned the Chief Secretaryship, and been succeeded by Salisbury's nephew, Mr. Arthur Balfour, who also had declared it to be "folly and madness" to break the solemn contracts between landlord and tenant.

All parties were now in a state of great embarrassment. Tories of the stricter sect looked on in dismay when in their new Land Bill the Government yielded to agitation a large part of what it had refused to argument in the previous year, and said loudly that the axe

had been laid at the root of the tree. Liberals were uneasy^c at the acts of lawlessness committed by their Irish allies and wavered between condemnation and justification. Mr. Gladstone "could not deny that he found it difficult to acquit the Plan of Campaign," but saw in it "the certain result of misgovernment" and held that "its authors were not one-tenth part so blameable as the Government whose contemptuous refusal of what they had now granted was the parent and source of the mischief." The new land legislation came too late to stay the agitation. There were delays in bringing the law into operation; landlords being now less than ever disposed to help the Government, persisted in evictions, and tenants in resistance. The Ulster tenants too had their grievances and had somehow to be pacified, or, like their fellows in South Ireland, repressed. Ministers decided that, having now made the maximum concession to the agitators, they must restore order without flinching and introduced a drastic Crimes Bill.

6

This differed from all previous acts of coercion in that it was to be part of the permanent law of Ireland. It authorized the Irish Chief Secretary to suspend trial by jury, and to treat as crimes in any area that he "proclaimed" a variety of acts which were not offences elsewhere. In order to pass it through the House of Commons the Government introduced the guillotine closure, thought in those days to be a portentous innovation and a most painful breach with the honourable tradition which assumed sweet reasonableness and mutual forbearance to be enthroned in Parliament. There were loud protests, and when the Government decreed that the Crimes Bill must be disposed of in four days, Irish and Liberals walked out together and declined further part in the proceedings. The protests of the Irish were no new thing, but what was novel in this phase was the combination of Irish and Liberal with the backing of a powerful part of the British press. This fraternizing was now general; Irish members visited British constituencies and spoke from British platforms; British members toured Ireland, watched coercion at work, and brought back lamentable tales of evictions and the rough-handling of Irish leaders by the police. Elderly Englishmen, who had never

given a thought to the Irish question before the previous year, pored over Irish history and were consumed with zeal for the redress of Irish wrongs.

From this year, 1887, dates the rise of Balfour. No one till then had dreamt of him in the office which he was now to fill. His gifts seemed to be those of the graceful amateur, who found a certain detached amusement in the play of politics, but whose heart was in the dialectical philosophy which he had developed with much skill and subtlety for the confusion of Liberal thinkers. He was the idol of a small and cultured society, fastidious and critical in his approach to most subjects, a hesitating speaker to whom the House of Commons had listened rather because he was the nephew of his uncle than because he could hold it on his own merits. As a member of the Fourth party he had been easily overborne by Lord Randolph Churchill. It was said that he knew the objections to every line of thought and every possible act of policy, and the general verdict was that his uncle could hardly have made a worse choice than in appointing him to deal with the rough and urgent problems of Irish disorder. This judgment proved utterly mistaken. Within a few weeks the new Chief Secretary had established his reputation as the most determined and consistent of the long line of British emissaries who had administered coercion in Ireland. He told his police, not to hesitate to shoot; defended them through thick and thin, and was as contemptuous of Liberals protesting that force was no remedy as of Irishmen who courted martyrdom at his hands. If they wanted it they should have it, but there should be no soft distinction between political offenders and common criminals, except that the former should be regarded as a little the worse of the two. The M.P. who got himself into prison was to wear prison clothes, eat prison food, and be locked in an ordinary cell. The struggle of William O'Brien to retain his trousers against the fiat of the Chief Secretary that he should be deprived of them was one of the epics of these times. More tragic was the collision between police and people on the occasion of an eviction at Mitchelstown in County Tipperary on September 9 of this year. The police fired, two men were killed, and a Coroner's jury brought in a verdict of wilful murder against the police. The verdict was afterwards quashed in the Queen's Bench at Dublin, but

feelings were greatly stirred⁶ both in Ireland and England; and a message from Mr. Gladstone "remember Mitchelstown" became one of the slogans of the hour.

Early in 1887 an effort was made to reunite the Liberal party, and five members of the late Liberal Cabinet, including two Liberal Unionists, Chamberlain and Sir George Trevelyan, met at what was called the "Round Table Conference" at Sir William Harcourt's house, to consider the possibility of reconciling their views on the Irish question. For a time all seemed to go well and hopes ran high. The other four had gained the impression that Chamberlain was "most conciliatory." But towards the end of February, he shattered their hopes by writing an article in a Nonconformist journal, the *Baptist*, in which, while strongly advocating the disestablishment of the Church in Wales, he went out of his way to denounce the Irish people as disloyal, and the Irish members as in the pay of the Chicago Convention. This explosion caused the adjournment of the Conference which was never resumed. It was not quite useless from the Liberal point of view, since Sir George Trevelyan rejoined the party and many less-known men took the same opportunity of returning to the fold.

CHAPTER II

SALISBURY AND THE TRIPLE ALLIANCE

1886-7

I

THERE were important foreign developments, in which Lord Salisbury's Government played a considerable part, during these years.

In 1878 Lord Beaconsfield won a resounding diplomatic victory by placing his veto on the union of Eastern Rumelia and Bulgaria, and on that basis brought back "peace with honour" from the Congress of Berlin. In 1885 the two Bulgarias proclaimed their union, and Salisbury, who had been Lord Beaconsfield's principal coadjutor in Berlin and who was Foreign Secretary as well as Prime Minister in the short stop-gap Government of that year, astonished and mystified the other Powers by declining to join in the measures proposed by the Conference of Ambassadors at Constantinople to prevent the Union. This was a startling breach in the traditional Conservative policy, but Salisbury, as his biographer has made clear, was never more than lukewarm in his pro-Turkish sympathies, and left to himself he seems to have yielded to a sincere humanitarian objection to recalling Turkish troops, as the other Powers proposed, and giving them *carte blanche* to restore what they called "order" in this region.

But this decision left the other Powers in great confusion, and for different reasons was equally displeasing to Germany and Russia. The Tsar should in theory have hailed the union of the two Bulgarias as a Russian triumph, but he had a strong personal objection to Prince Alexander, whom the reunited Bulgarians had invited to be their Prince and who was rapidly becoming their hero. It would at this moment have been highly convenient to the Tsar if he could

have remained in the background, and the other Powers had come forward under British lead to veto the Rednion.

In November, 1885, the Serbians rushed in to attack the big Bulgaria and by defeating them at the battle of Slivnitsa Prince Alexander became more than ever the hero of the Bulgarians and more than ever distasteful to the Tsar. There followed the extraordinary series of events in which the Prince was kidnapped by his own officers on Russian prompting, and finally after his release and triumphant return to his capital was compelled to abdicate by the continued disapproval of the Tsar (Sept., 1886). The Tsar was now in a serious predicament. He tried to force his nominees on the Bulgarians, but in the teeth of Austrian opposition and German hesitation, dared not persist. The ambitious Duke Ferdinand, of Coburg, meanwhile, was biding his time and gradually pushing his way into the vacant field with the support of Austria. Bismarck, with his usual reluctance to give the German casting vote to either Austria or Russia—both of them his partners in the Three Emperors' League—looked again to Salisbury, who was now in power again after the brief Gladstone Government, to pull these chestnuts out of the fire, and when he looked, Salisbury looked the other way. Not to get entangled in these obscure manoeuvres in the Near East was from now onwards part of his settled policy. He still regarded it as a British interest that Russia should not occupy Constantinople or dominate the Straits, but he was already well on the way to the conclusion, which he stated more bluntly in subsequent years, that a blind support of the Turks to secure this end was "staking money on the wrong horse," and in the meantime he held it wisdom to leave Russia, Germany and Austria to settle these affairs among themselves.

There was, in any case, enough to think about in the situation nearer home. All through these months and indeed for the next two years there was a high probability of a German attack on France, if the Near Eastern quarrel could be composed in such a manner as to bring Germany and Russia together and secure the Germans the pledge, for which Bismarck sought in vain, of Russian neutrality in the event of a Franco-German war. The Tsar's soreness at what he had come to consider German duplicity in the affair of Bulgaria was the main obstacle to this, and probably the sole reason for his declining Bismarck's offer of the free hand in Constantinople and the Straits in

exchange for his connivance at a German attack upon France. This danger was averted, but with the Freycinet Government in power, its dashing War Minister, Boulanger, on a very high horse, and Bismarck rattling the German sword, it was never far distant in these months. All through this time the British Foreign Minister had to contemplate the possibility of a German attack on France coinciding with a Russian march on Constantinople, both of them raising problems which would have been acid tests for the traditional British statesmanship of which Salisbury was the leading exponent.

2

When Salisbury formed his second Government in July, 1886, he made Lord Iddesleigh, better known as Sir Stafford Northcote, Foreign Secretary. There was no more respected member of the Tory party, and of long service, high character, gentle manners, and a well-earned reputation as the best of Conservative financiers, were qualifications for this post, he was well chosen. But it could scarcely be said that he was a match for Bismarck, who was engaged in the operations just described, and during September his course was watched with misgiving by certain members of the Cabinet and especially by Randolph Churchill, who gave the sound advice that Great Britain should do nothing at Germany's bidding unless she was sure that Germany herself was solid behind Austria. The British course was a wavering one during these weeks, and when Salisbury reconstituted his Government after Churchill's resignation, he decided to take the Foreign Office himself. It was a painful decision for his old friend, Iddesleigh, and the more so since he was left to learn of it for the first time in the newspapers. The same afternoon he called at Downing Street, and fell dead from heart disease in the ante-room of the Prime Minister. "As I looked upon the dead body stretched before me, I felt that politics was a cursed profession," wrote Salisbury in answer to a letter of condolence from Churchill. Mr Gladstone had said that a Prime Minister in forming a Government must act like a butcher, but he had not seen any of his victims fall dead at his feet.

Bismarck at this moment was in a critical position, and the whole of his carefully built up structure seemed to be tumbling about his ears. The Tsar was furious at what he considered to be German

duplicity ; France was threatening ; the Triple Alliance was running out, and if trouble broke out between France and Germany before it was renewed, no one knew what might happen. But Austria and Italy were both making difficulties, Austria by refusing to guarantee Italy's ambitions and interests in the Mediterranean, and Italy to pledge herself to go to war with Russia for Austria's ambitions and interests in the Balkans. Time was short and the deadlock seemed complete when Bismarck had one of those inspirations which seemed never to fail him at critical moments. If only England could be brought in both parties would be satisfied. Austria would get something far more valuable than Italian support, and Italy would waive her objections in return for a British guarantee of her Mediterranean interests.

Only a few months previously Bismarck had told Randolph Churchill, who had made an impetuous overture for a German alliance, that British Parliamentary institutions made it impossible for him to have the same confidential relations with England that he might have with a Continental Power. He now put all that behind him and addressed himself directly to the British Ambassador in Berlin with a demand for British co-operation. When the Ambassador objected that England would be entering into a coalition against France, his hand went immediately to his hip-pocket. "If England persists in withdrawing from all participation in European politics," he told the Ambassador, "we shall have no further reason to withhold our approval of French desires in Egypt or those of Russia in the Near East, however far they may go." This reported to London had the desired result. Within the next few days the British and Italian Governments came together, and on February 12 exchanged Notes promising one another "in general and to the extent that circumstances shall permit mutual support in the Mediterranean in every difference which may arise between one of them and a third Power." This was enough for the moment and a week later (Feb. 20, 1887) the second Treaty of the Triple Alliance was signed.

Salisbury thus, unknown to himself, did Bismarck the enormous service of enabling him to renew the Triple Alliance. So little was he aware of the facts that he had gone out of his way to stipulate that the negotiations should not be directed against Austria, when in truth the object aimed at was precisely what Austria wanted

to make Italy an acceptable partner. The operation must be counted one of Bismarck's masterpieces. He had saved the situation for Germany, conducted two secret negotiations in separate compartments to the same conclusion, and won British support without disclosing any of the essential facts to the British Prime Minister. Outside the Three Powers who were a party to it the very existence of the Triple Alliance was little more than a conjecture at this time, and Bismarck contented himself with telling Salisbury that there was "a sort of Alliance" with Italy:

The year 1887 has been called "the zenith of Bismarck's diplomacy," and for sheer virtuosity in a short period it deserves the name. Having saved the Triple Alliance he had next to keep Russia in tow, an operation of extreme delicacy in the circumstances of that year. The Tsar, being very angry at the Austrian proceedings in Bulgaria, flatly declined to renew the League of the Three Emperors which had been the sheet anchor of German diplomacy during the fifteen years after the Franco-German war. But Bismarck succeeded in persuading him to substitute for it a "Reinsurance Treaty" with Germany alone, which provided that Germany was to be benevolently neutral if Austria attacked Russia, and Russia, if France attacked Germany, and both were to be free if either Germany or Russia were to be the attacking parties. The two Powers also undertook jointly to prevent Turkey from opening the Straits to foreign warships, and Germany promised to recognize Russia's preponderant influence in Bulgaria. In 1879 Bismarck had made a secret treaty with Austria, behind the back of Russia, pledging German support to Austria if she were attacked by Russia, and he now balanced this with a corresponding arrangement with Russia behind the back of Austria. A subtle casuistry may prove that these two Treaties were not verbally incompatible, but no casuistry could square the Reinsurance Treaty with the first article of the Triple Alliance which stipulated for complete candour between the Allies, and barred all three from being privy to any arrangement against the others.

3

The Tsar was only momentarily appeased, and in September, 1887, he was again hotly accusing Bismarck of having betrayed him in the

matter of Bulgaria and vowing that he would have no more dealings with him. Efforts were made to patch up this quarrel, and the Tsar was persuaded to visit Berlin in the month of November, but this led to more recriminations, and when he returned home he was said to be in the mood to seek any escape from "thrall^dom to Berlin." But his obvious way of escape was now cut off, for the French were cooling down after the Boulangist agitation, and in June the fall of the Goblet Cabinet (June, 1887) had brought it to a close. Rouvier, who succeeded, had declined to continue Boulanger as Minister for War, and was evidently bent on a quiet life. With his mind at rest about the French peril, Bismarck felt free to take a high line with the Tsar, and manifested his disapproval in the many ways known to diplomacy.

But to make sure of his relations with Great Britain before he cut the wires to St. Petersburg was still a first principle of his diplomacy, and he turned again to this at the end of November. The British-Italian exchange of Notes in the previous February had served him well and was good as far as it went, but better still if Great Britain would consent to a formal arrangement assigning her a definite position in his scheme of power. On November 22 he wrote a long letter to Salisbury, taking as his text or pretext certain misapprehensions in England about the young Prince William and his supposed pro-Russian and anti-British tendencies. Without denying these, he declared it to be impossible that German policy should be influenced by the personal leanings of the Crown Prince, even when he became Emperor. A nation in arms could not be set in motion by a mere expression of the royal will. It would spring to arms on any issue threatening the independence or integrity of the Empire, but its aptitude was for defensive, not aggressive war. At the same time the danger of the peace being broken by France and Russia was a very real one, France in pursuit of her traditional enmity, Russia under the influence of Slav leaders and the necessity of finding occupation for a large and idle army, and of diverting to foreign affairs the activities of those who wished to change her constitution. Germany could not afford to be isolated against Russia and France; she was bound to regard the existence of a strong and independent Austria as a necessity for herself, and in default of other support she would endeavour to make friends with Russia.

That, with its consequences to Great Britain, the Prince seemed to intimate, lay in the future. As regarded the existing situation, no German Emperor could take any other line than that of defending the independence of friendly Powers satisfied with the existing order and ready to defend their own independence. Though Germany herself could keep out of a war with Russia, if her own honour and safety and the existence of Austria-Hungary were not threatened, she desired that friendly Powers having interests in the East should be strong enough to deter Russia from going to war, and to hold their own if there was a war. There was, he said finally, not the remotest possibility that any German Emperor would give Russia armed support in striking down or weakening any of the Powers on whose support Germany counted for preventing a Russian war or helping her to face one. In fact "her policy would always compel the appearance of Germany in the line of battle, if the independence of Austria-Hungary were threatened by a Russian aggression, or if either Italy or England were in danger of being attacked by the Armies of France."

4

It was, on the face of it, an embarrassed and involved communication, but Salisbury by this time was sufficiently acquainted with Bismarck's methods to understand what was meant. With many polite phrases he had repeated his warning that, if he could not count on English support, he would be obliged to make friends with Russia and (*softo voce*) to support her against England. This time, to show that he meant business, he actually produced and sent to Salisbury a copy of his secret Treaty with Austria-Hungary in 1879, both as a mark of his confidence and a proof of the serious nature of his engagements to that country. This was a little less daring than it seemed, for a few months earlier he had made the same disclosure to the Tsar in the well-justified expectation that he would be more alarmed by the state of facts which it revealed, than indignant at the duplicity thus blandly confessed. Being unaware of this and supposing himself to be the sole repository of this secret, Salisbury was greatly impressed and thanked the Prince warmly for the "great frankness with which you have exposed the true situation to me."

From this beginning it was comparatively easy to persuade Salisbury

to give definite form and substance to the British-Italian Notes of the previous February. Austria was now brought in, and in an exchange of Notes between the British and Austrian Governments confirmed by Italy, the three Governments, undertook jointly to maintain the *status quo* in the Near East, to uphold "the independence of Turkey as guardian of important European interests" and to see that she did not cede or delegate either her suzerainty in Bulgaria or her guardianship of the Straits or her authority in Asia Minor to any other Power. They wished, they said, to act in association with Turkey in defence of these principles, but if her action assumed the character of complicity with a connivance at an illegal enterprise, they would hold themselves justified in proceeding either jointly or separately to the provisional occupation of Turkish territory. Great Britain thus became attached to the Triple Alliance for all purposes in the Near East.¹

The craft and subtlety of Prince Bismarck was never more perfectly displayed than in this transaction. Approaching the British Prime Minister with a skilful mixture of blandishments and threats, he disarmed him with a seeming mark of confidence which in the light of after-knowledge has the appearance of a political confidence-trick. The tribute which Salisbury paid to the "great frankness" of his illustrious correspondent was an undeserved compliment. For while he disclosed the Austrian Treaty of 1879, he made no mention of the fact that in this very year, 1887, he had concluded a Treaty with Russia which reduced to a minimum his obligations to Austria and absolved him from coming to her assistance if he judged her to be the aggressor. In this Treaty he had pledged himself to Russia to prevent Turkey from "closing the Straits" to her disadvantage just as now he had induced Great Britain, Austria and Italy to pledge

¹ A careful examination of this transaction with all the relevant documents, including memoranda written in 1902 and 1903 by Sir T. H. (Lord) Sanderson will be found in the British Documents, Gooch and Temperley, Vol. VIII, Ch. LXI. Then and later this "Mediterranean Agreement" was kept strictly secret. It was never put on official record in the Foreign Office, but was left in the keeping of the Permanent Under-Secretary of State. Lord Rosebery declined to take cognizance of it when he became Foreign Secretary in 1892.

each other to prevent Turkey from doing the same to their disadvantage. He had thus in the space of six months encouraged and abetted Russia on the one side, and Austria, Great Britain and Italy on the other in policies which were very likely, if persisted in, to bring them into collision. At the end he himself, and Germany, remained free. For though he planned and negotiated the Tripartite Mediterranean Agreement of the Three Powers, he carefully refrained from putting his own signature to it. He was thus in a position, if the Tsar made inquiries, to deny that Germany had taken any action hostile to Russia or in conflict with the Reinsurance Treaty, and if she persisted, to refer her to Rome, London or Vienna. In this way he hoped to "keep the German wire to St. Petersburg," while employing his partners to hold Russian policy in check.

It may be said that Salisbury could have done nothing else even if he had known all the facts. He had grown lukewarm about Turkey, but he still held it to be a high British interest to prevent Russia from reaching Constantinople and dominating the Straits; and faced with the alternative of obliging Prince Bismarck and seeing Germany encourage these Russian designs, he chose the lesser evil. It is possible, if he had known all the facts, he would still have concluded, as he told the Prince, that "the grouping of the States, which has been the work of the last year would be an effective barrier against any possible aggression of Russia in Europe." But then, as always, it was deep in Bismarck's thoughts that to keep Great Britain and Russia in a state of mutual hostility was a prime desideration of German policy. "We are under an obligation to the German people," he had told the Emperor William not long previously, "to avoid everything which could lead to our relieving England of Russian hostility and bringing that hostility on ourselves." The Mediterranean agreement was well in line with this idea. Nothing could be less likely to relieve England of Russian hostility.

5

Among the events of this year was the signing on May 22 of the Drummond-Wolff Convention which all but committed the Government to the evacuation of Egypt. The Conservative party at this time was by no means whole-hearted about accepting permanent

responsibility for that country. Its occupation was a legacy from the Gladstone Government, and carried with it unknown liabilities in Egypt and vexatious reactions in Europe. Randolph Churchill told Count William Bismarck in 1885 that he cared much less about Egypt than about Herat. One of Salisbury's first acts on becoming Foreign Secretary in 1885 had been to dispatch Sir Henry Drummond-Wolff to Constantinople to negotiate with the Turks, who were the Suzerains of Egypt, for the earliest possible evacuation; and in the next eighteen months Sir Henry devised a plan whereby a Turkish and a British High Commissioner acting in concert with the Khedive were to reorganize the Egyptian army, tranquillize the Sudan, and make any reforms necessary in the internal administration, with a view to the withdrawal of British troops. The Convention contemplated withdrawal at the end of three years, but reserved the right of Great Britain to prolong or renew her occupation if the conditions were not fulfilled. Left to himself, the Turkish Sultan would have accepted this arrangement, but France and Russia took strong exception to the right of prolonging or renewing her occupation reserved to Great Britain, and under their pressure he drew back and refused to ratify the Convention, notwithstanding that he had authorized its signature. The French afterwards bitterly regretted their action, which placed the British Government in the strong position of being able to say that the quite reasonable terms which they had offered for evacuating the country had been rejected by their European neighbours.

6

In Great Britain itself the supreme moment in the year 1887 was the great ceremonial in Westminster Abbey on June 21 to celebrate the Jubilee of Queen Victoria. Surrounded by an imposing company of Royal guests from Europe, Indian Princes, British statesmen, officials and soldiers, and Ministers from the self-governing Colonies, the Queen gave thanks for the fifty years of her reign. It was the first of the festivals of British Imperialism and everything conspired to lend lustre to the occasion. The Empire, which till then had taken itself for granted, seemed suddenly to have become self-conscious. It was the theme of eloquent perorations and inspired writers and

poets to their highest efforts. All the omens were said to be auspicious. The great conspiracy to disintegrate the United Kingdom had been defeated; India was loyal, the self-governing Colonies offered their homage. The Queen's Ministers were men whom she trusted and who could be depended upon to uphold the dignity and prestige of Great Britain in Europe and over the seas.

The occasion marked the first effort to bring the self-governing Dominions or Colonies, as they were still called, into council with the Imperial Government. The Colonial Ministers who came as delegates to the Jubilee assembled in Conference, discussed various legal and technical questions and were addressed by Salisbury, who deprecated all ambitious efforts in Constitution-making, and described the schemes for Imperial Federation; which were already in the air as "nebulous matter which in the course of ages would cool down into material and practical results." In the present age he was not for a general Union or a *Zollverein*—an Empire behind a tariff wall—but for a *Kriegsverein*—a combination for purposes of self-defence. He dwelt on the importance of the "shield thrown over the Colonies by the Imperial connexion," and said that their unity rested on the "most solid and reasonable foundations of self-interest and security."

In tendering their homage to the Queen (Windsor, May 4), the Colonial Ministers gave her a statistical summary of the growth of her Empire:

Your Majesty has witnessed the number of your colonial subjects of European descent increase from under two millions to nine millions, and of Asiatic race in your Indian Empire from 96 millions to 254 millions, and of other peoples in your Colonies and dependencies from two millions to seven millions.

The area now governed by Your Majesty in India is 1,380,000 square miles and in your Colonies 7,000,000 square miles. The increase of trade, of shipping and of revenue, has been in proportion to that of population; and no one in your wide dominions is subject to any other sway than that of even and impartial law.

Your Majesty's reign has, under Divine Providence, endured for over half a century; and amidst revolutions and changes of dynasty and of systems of government in other countries, the principles of the laws of your predecessors for a thousand years still afford your subjects that safety and prosperity, and the Empire that stability which claim the admiration of the world.

The festivities were continued over many weeks. The Queen received 20,000 Volunteers at Buckingham Palace, reviewed the Regular Army at Aldershot, and steamed down the lines at a great Naval Review at Cowes. She went in procession through East London to open the "People's Palace" in Whitechapel, and laid the foundation of the Imperial Institute. Everywhere she was received with acclamations and fervent protestations of loyalty. To herself the occasion was tinged with melancholy, and in her letter of thanks she seemed to divide her life into two parts, of which the worst was the last. The Jubilee, she said, "has shown that the labour and anxiety of fifty years, twenty-one of which I spent in unclouded happiness shared and cheered by my beloved husband, while an equal number were full of sorrow and trials, borne without his sheltering arm and wise help, have been appreciated by my people." This division of the Victorian age into sunlight and shadow was scarcely in the mood of these times, but it was highly characteristic of Queen Victoria, and one of the personal touches which endeared her to her subjects.

CHAPTER III

PARNELLISM AND CRIME

1887-91

I

ON April 18, 1887, *The Times* gave a new turn to the Irish controversy by publishing in facsimile what purported to be a letter from the Irish leader condoning the Phoenix Park murders¹:

DEAR SIR,

I am not surprised at your friend's anger, but he and you should know that to denounce the murders was the only course open to us. To do that promptly was plainly our best policy. But you can tell him and all others concerned that, though I regret the accident of Lord F. Cavendish's death, I cannot refuse to admit that Burke got no more than his deserts. You are at liberty to show him this, and others whom you can trust also, but let not my address be known. He can write to the House of Commons.

Yours very truly,

CHARLES S. PARNELL.

This was printed in the first of a series of articles entitled "Parnellism and Crime," the object of which was to brand the Irish leader and his party as engaged in a revolutionary movement deeply stained with crime.

The sensation which followed was enormous and for the time being threw the Liberal supporters of Home Rule into deep dejection. It seemed impossible that *The Times*, which for accuracy and infallibility had an authority only second to that of the Bible, could have published

¹ Lord Frederick Cavendish, recently appointed Chief Secretary for Ireland and Mr. Burke, Permanent Under-Secretary, were assassinated in Phoenix Park, Dublin, on May 6, 1882.

this letter without being absolutely sure that it was genuine. Unionists said exultantly that this was the end of Home Rule, and not a few Liberals were in their hearts of the same opinion.

Parnell took it quite coolly. He had not even seen it—or so he said—when he came to the House of Commons on the evening of the 18th, and when it was shown to him all he said was, “I did not make an S like that since 1878.” The same night he told the House of Commons it was an “audacious and unblushing fabrication” and that anyone who took the trouble to examine it would see that the signature bore no resemblance to his. With that he seemed disposed to leave it, and for the best part of a year took no further action. *The Times* went on publishing its articles, which ranged discursively over the whole field of Irish Nationalist activities in Ireland and in America: Unionists said that if Parnell were innocent he would take action against *The Times*, and he on his side showed no sign of moving. His attitude was that he would not condescend to submit his character to a British jury. But early in 1888 his hands were forced when a former Irish member, Mr. F. H. O'Donnell, feeling himself aggrieved by certain statements in “Parnellism and Crime,” proceeded against *The Times*. *The Times* won its case on the plea that nothing in the article referred to Mr. O'Donnell, but in the course of this action, the Attorney-General, Sir Richard Webster, who appeared for the newspaper, produced other incriminating letters and defied Parnell to disown them. He now realized that action was necessary, and asked the House of Commons to appoint a Select Committee to inquire whether the facsimile letter was a forgery. The Government refused this, but proceeded to appoint a Commission of three Judges to investigate not merely the letter but all the charges made by *The Times*. The Commissioners, Mr. Justice Hannen, Mr. Justice Day and Mr. Justice Smith, met in September, 1888, and continued to sit until February, 1890. The question of the forged letter was overlaid with numerous other “charges and allegations” against the Irish party, and was not reached till five months later (Feb. 21, 1889). By this time its authorship had been tracked down to a needy adventurer, Richard Pigott, who collapsed in the witness-box under Sir Charles Russell's merciless cross-examination, and fled to Madrid where he committed suicide. Incidentally, Asquith, the future Prime Minister,

leapt into fame by his cross-examination of the manager of *The Times* before this Commission.*

It was an astonishing personal triumph for the Irish leader, and in the spring of 1889 he stood at the top of his fame and power. He was the master of Nationalist Ireland; he had converted the great British Liberal party to Home Rule, he had defeated all the efforts of British Governments to extinguish or circumvent him; and now finally the attempt to ruin him by a forged document. On March 8 he was the hero of a Liberal banquet at which he shook hands across Lord Rosebery with his old antagonist, Lord Spencer; in July he received the Freedom of the City of Edinburgh; all through the year he was besieged with invitations (many of which he ignored) to speak on English platforms. In the meantime the Commission went on with its inquiry into the activities of the Irish Party—whether it was aiming at separation, whether it was intimate with the “Invincibles” and other Terrorist organizations, whether it was responsible for boycotting, whether it had used language which was calculated to lead to violence, and so forth. After a year or more the three Judges produced a voluminous report which may be read to-day as a fair judicial verdict on the activities of an agitating party and its relations with a violent left-wing. This gave a sharper edge to the Irish controversy and provided Unionists with material for denouncing the Nationalist party as a criminal conspiracy, but the exposure of the forged letter discredited this propaganda, and Mr. Gladstone’s claim that the “flowing tide” was with him was well justified by the by-elections. By the autumn of 1890 secessions and lost seats had reduced the Government majority from the 114, at which it stood after the General Election, to 70. Mr. Gladstone’s return to power with a majority sufficient to carry Home Rule seemed a certainty at that moment.

Seldom was there such a spate of oratory as during these months. Day by day the newspapers presented their readers with column upon column of reports in the first person of Mr. Gladstone’s speeches, and those of his supporters and opponents, John Morley, Sir William Harcourt, Salisbury, Hartington, Chamberlain, Goschen. It was the last burst of the old oratory before the popular press came on the scene to close it down. Over it all Salisbury poured a chilling stream

of ironical comment. The Irish party, he said, was a singular phenomenon which had to be recognized as a fact, but why anyone should wish to duplicate it by giving it a Parliament in Dublin as well as Representation at Westminster, was beyond his comprehension. When people talked of the "conciliation of Ireland," who, he wanted to know, was to be conciliated? A boa constrictor fed with a live rabbit was doubtless conciliated by the rabbit, but was the rabbit conciliated by being given to the boa constrictor? Salisbury gave great satisfaction to his supporters with these flouts and gibes, but all through this year the country was slipping back into the Gladstonian mood in which the conciliation of Ireland seemed to be the greatest of Liberal causes.

2

In the autumn, when the list of coming law-suits was published, the name of Parnell was seen as co-respondent in the divorce action of O'Shea v. O'Shea. Parnell himself dismissed it with his usual sangfroid as a trumped-up charge which he would easily dispose of. Irishmen who knew the facts were uneasy, but his triumph over his enemies had so far been so complete that he was trusted to find a way of defeating this last attempt to ruin him, as it was generally considered to be. Then suddenly he veered round. "By the way, Ned, I do not intend to defend that action." Thus in a casual sentence thrown in at the end of a business interview with a colleague just before the case came up for hearing, he made known his decision to let it go by default.

"My God, sir," exclaimed the colleague. "Pshaw!" said Parnell, "a nine days' wonder." "Nine centuries, sir," was the reply.

The story of Parnell's catastrophe is unlikely to be forgotten so long as history is read. The sudden overthrow at the top of his fame and power of the Irish leader as the result of his passionate attachment to a woman breaks in upon the orderly narrative of events, like a scene from some romantic melodrama. At the beginning of November, 1890, he was at the height of his fame and power. He had triumphed over his enemies, and, working as the partner and equal of the great Gladstone, had all but converted the British people to Home Rule. In a fortnight he was in the depths—thrown there by an episode in

the Divorce Court—and Liberals and Home Rulers were reduced to hoping that Salisbury would not seize the opportunity to spring an election on them in this hour of panic and confusion. There was, however, a consensus of opinion that this would be outside the gentlemanly code by which party warfare was governed in these days.

"Retire, marry, return"—so cabled Andrew Carnegie from America to Parnell. The advice would have been sound if it had been a question merely of appeasing the British Nonconformist conscience, but Parnell was the leader of a Catholic country to which the marriage of divorced persons would have aggravated rather than palliated the offence. The difficulty from the beginning was that of appeasing both Catholics and Nonconformists, and it was the Catholic objection which in the end defeated his attempt to rally Ireland behind him in defiance of an alleged British effort to depose him from his leadership. But he had some excuse if he misread the temper of his countrymen. For on November 18, the day after the proceedings in the Divorce Court, a meeting of the National League in Dublin gave him a unanimous vote of confidence, and two days later at another meeting in the Leinster Hall a similar vote was carried by acclamation, after speeches in which the more important of his colleagues had expressed their fervent loyalty to his leadership. Finally, on November 25, when the Irish Parliamentary party met to elect their sessional chairman, they re-elected Parnell with every expression of regard and confidence. So far he had carried everything before him, without deigning to offer explanations or apologies. An Irish member describing his demeanour at the party meeting said, "he looked as if we had committed adultery with his wife."

Unfortunately for Parnell this was only the beginning. In re-electing him as their leader, the Irish members had been ignorant of a very important fact known to him and deliberately withheld by him. This was that Mr. Gladstone had written a letter to John Morley, who had communicated it to Parnell, expressing the opinion that the latter's continuance in the leadership of the Irish party would be disastrous to the Irish cause and make his own leadership of the Liberal party "almost a nullity." Up to the last moment Parnell had dodged all emissaries bringing communications from Mr. Gladstone, and Morley only ran him down with a copy of this letter in the last hour

before the meeting of his party. He could scarcely have made a worse blunder than to conceal it from his colleagues, for when they learnt of it, as they were bound to, immediately the meeting was over, even if the Liberal Whips had not sent the letter to the press, they felt they had been lured into giving him their confidence in ignorance of a material fact. A strong revulsion of feeling now set in and the party decided to meet again to reconsider the situation.

3

To the end of his life Mr. Gladstone disclaimed the idea that he had acted as a moral censor in this affair. He simply, in his own view, set out its political consequences, and hoped and expected that Parnell himself would draw the necessary conclusion, or, if not, that the Irish party would take the necessary action. Men of the world might shrug their shoulders at the hypocrisy of politicians, but there could be no doubt about the political disaster. It was not merely the strict moralists who were offended, but large numbers who would have been indulgent to the lapse from virtue were shocked at the Irish leader's bold defiance of the generally held opinion that a public man should accept the forfeit which such circumstances demanded, and retire at least for a time from the scene of action. The Unionist press were strong on the point that the personal intrigue had revealed a deceitfulness of character which boded ill for the sincerity of the pledges he had given his English friends, and an atmosphere of suspicion was created in which the charges and allegations of the previous year seemed much more credible. Mr. Gladstone was assuredly right in his judgment of the political consequences, and a by-election in the Bassetlaw Division, where Liberals had expected to win a seat, showed the Unionist majority in the same strength as in 1886.

But Parnell was now determined to resist to the last, and when the Irishmen resumed their conclaves in Committee Room No. 15, he fought every inch of the ground, at first with a cool skill which kept his opponents at bay, then with rising anger which found vent in bitter reproaches and recriminations. He had made the party, made *them*; they had vowed to stand by him and were now throwing *him* to the wolves at the bidding of the English. He was the leader of the Irish nation and would not accept dismissal at their hands.

Let them do their worst, leader he would remain. So it went on for twelve days, at the end of which, finding it impossible to get their resolution put while he was in the chair, forty-four of his colleagues walked out leaving him with twenty-six who were faithful to the end. Never physically a strong man, he was by this time shaken and exhausted. Day by day he was seen striding through the Lobby of the House of Commons, his hair streaming, his eyes blazing, a ghastly pallor on his face, the very image, pitiful and tragic, of despair and defiance.

In the meantime he had appealed to Ireland in a manifesto which retaliated on Mr. Gladstone by charging him with weakening on the essentials of Home Rule. In a conversation at Hawarden twelve months earlier the two men had discussed certain details in the next Home Rule Bill—the representation of Ireland in the Imperial Parliament, the transfer of the police and so forth—and had parted in apparent agreement after an amicable talk. In spite of the fact that he had continued to speak of Mr. Gladstone as the “grand old leader” under whose guidance the Irish were on the “safe path to their legitimate freedom and future prosperity,” Parnell now said that Mr. Gladstone had all this time been meditating the betrayal of the Irish cause. This shocked his friends hardly less than his opponents, and a word from Mr. Gladstone disposed of it. The struggle was now transferred to Ireland where a by-election at Kilkenny offered the opportunity for testing Irish opinion. Once more Parnell fought like a tiger, nominating his own candidate, working the constituency in person, and making frantic appeals to the electors to resist the English dictation. But again he had miscalculated. By this time the bishops and priests had rallied Catholic opinion against him and the cry of English dictation was drowned in denunciation of the Protestant sinner flaunting the Catholic faith. The Parnellite candidate was defeated by a majority of nearly two to one. Elections during the next few months in North Sligo and Carlow showed similar results.

An attempt was made to patch up the quarrel with his Irish colleagues on the basis of his temporary retirement, and negotiations were conducted on the neutral territory of Boulogne where some of these colleagues returning from America were obliged to linger because warrants were out for their arrest if they landed on British soil. But

these too broke down, and for the next eight months he fought on with a little body of staunch supporters, many of them Fenians, who were prepared to defy both the Catholic Church and the English dictatorship. "I will not go, I am a young man, and I will not go," he kept exclaiming, and his friends assured him that in five years he would rally all Ireland to his side. In June he married Mrs. O'Shea, and some of his staunchest supporters fell away at this further defection from Catholic law. On September 27 he addressed his last meeting in Ireland, visibly ill and labouring with his words. Three days later he left Ireland for the last time, and died of rheumatic fever at his house in Brighton on October 7, 1891.

4

Triumph, disaster, death—the full cycle of tragedy—had thus been completed in about eighteen months. As we look back, Parnell presents himself as one of the strangest characters that ever played a conspicuous part in history. Though his ascendancy over the Irish was complete, he had most of the qualities that the English think of as un-Irish. He was proud, reserved and, except in his last volcanic period, unemotional. In the year 1883, when the Irish people had collected the sum of £37,000 as a personal gift to him, and the Lord Mayor of Dublin had come in deputation to present this tribute with an appropriate speech, he cut him short by saying curtly "I believe you have got a cheque for me. Is it made payable to bearer or crossed?" At the banquet which followed he said not a word about the cheque. There was scarcely one of his colleagues with whom he was on terms of intimacy or who would venture to address him except with a "Mister" or a "Sir."

He acknowledged no responsibility to any of them for his comings or goings or his political decisions. He was in the habit of vanishing for months together, leaving them often in great embarrassment as to what to do in his absence. Though supreme in parliamentary tactics and the master on occasions of a freezing kind of speech, he was no orator and seemed specially to disdain the eloquence called Irish. He was intensely superstitious, and outside the small range of facts which served his political purpose he had little knowledge. It is related that having undertaken to address a meeting on Irish history,

he kept his audience waiting for three-quarters of an hour while he read up some elementary facts from a hastily borrowed text-book. He was, further, a landlord with little liking for agrarian agitation, and a Protestant with a smothered dislike of the priesthood and a misunderstanding of the Catholic point of view which was his ruin in his final struggle.

How, then, did he acquire the complete ascendancy which he exercised over Nationalist Ireland and the Irish party for the twelve years from 1878 to 1890? The answer is that precisely because he was unlike themselves the Irish judged that he was most likely to deal skilfully and powerfully with the English. In that they judged rightly, and the results seemed to justify their choice. Under the revered Mr. Isaac Butt the Home Rulers in Parliament had been a voice in the wilderness whispering a negligible protest; under Parnell they became a fighting force with which both the great British parties had to reckon, and which within twelve years had brought Home Rule within sight. As an Irish leader he disciplined all the factions, and contrived to keep touch with the left-wing in Ireland and in America without being seriously compromised with the dynamiters and assassins. He had a physical distaste for violence and the access of horror in which he wrote to Mr. Gladstone after the Phoenix Park murders, offering to retire from public life, was undoubtedly a sincere emotion. But in the parliamentary struggle, his strong nerve, iron will, and rapidity of judgment gave him an easy ascendancy over men who were far cleverer than himself. His biographer has recorded Gladstone's opinion of him:

Parnell was the most remarkable man I ever met. I do not say the ablest man; I say the most remarkable and the most interesting. He was an intellectual phenomenon. He was unlike anyone I had ever met. He did things and said things unlike other men. His ascendancy over his party was extraordinary. There was never anything like it in my experience of the House of Commons . . . He had a most efficient party, an extraordinary party. The absolute obedience, the strict discipline, the military discipline in which he held them was unlike anything I have ever seen. They were always there, they were always ready, they were always united, they never shirked the combat and Parnell was supreme all the time.¹

¹ "Life of Parnell," by Barry O'Brien, Vol. II, p. 357.

This was said in 1897, and "I do believe firmly," added Mr. Gladstone, "that if these divorce proceedings had not taken place, there would be a Parliament in Ireland to-day." There may be different opinions about that, but it is scarcely an exaggeration to say that the hope of settling the Irish question by a subordinate Parliament in Dublin was buried in the Divorce Court in November, 1890. More than any Irishman before or since, Parnell had the authority and the mental equipment to make that experiment succeed. It is one of the regrets of history that he was denied the opportunity of showing his capacity as first Prime Minister in an Irish Parliament. He might have been the Botha of Ireland.

5

For Mr. Gladstone and the Liberal party there was nothing now to do but gather up the fragments and use whatever time might remain before another election to put fresh heart into Liberals and Home Rulers. It was uphill work. The Irish feud was by no means ended with the death of Parnell. A powerful section headed by Mr. John Redmond held stubbornly apart from the rest and bitterly reproached both their former colleagues and English Liberals with having "hounded the Chief to death." The quarrel was purely personal, but it disarmed the Irish party in Parliament and reduced their agitation in Ireland to an interminable war. Though Home Rule still held first place in their programme, British Liberals now began to look to a revival of the British policies which had been eclipsed by Home Rule since 1886, and in the autumn of 1891 Mr. Gladstone went to Newcastle and launched a comprehensive programme of reform for Great Britain. Land reform, disestablishment of the Church in Wales and Scotland, local option, payment of members, popular control of education, district and parish councils, reform of the magistracy, all figured in the bill of fare and received the blessing of the venerable leader. To some of them, especially those affecting the Church, he gave only a reluctant consent, and he was with difficulty persuaded to make a speech which should include them all. Newman, he said characteristically, had always objected to 180 degree sermons, boxing the compass of faith and doctrine, and he greatly disliked political oratory of the same kind. But the Newcastle programme was the

husbandry of zealous spade-work done by the young Liberals—Asquith, Acland, Buxton, Haldane, Grey—in this Parliament, and Mr. Gladstone was persuaded that nothing less was necessary to give the Irish policy on which his heart was set a last chance in the time now remaining to him.

6

Though the Irish question dominated all else in these years, it did not exclude legislation of considerable importance for Great Britain. In its Local Government Act of 1888 (repeated with the necessary differences for Scotland in the subsequent year) the Government carried out a long overdue administrative reform. This transferred to elected county councils the functions hitherto discharged by Justices at Quarter Sessions and delimited the areas of urban and rural administration by constituting the larger boroughs "county boroughs." The control of the police was placed in the hands of a joint Committee of the Justices and the council, but with this exception, the councils became the supreme administrative bodies for the counties. A further subdivision which instituted urban and rural district councils and, as the ultimate small unit, parish councils, was to take place later on, but the act of 1888 made the initial profound change in the centuries old method of governing the English countryside.

London was the subject of a separate Act passed in the same year. Till then it had been governed (outside the City) by the Metropolitan Board of Works, consisting of 46 members chosen by the City Corporation and various vestries and district boards. This body had done good work in its time; the Thames Embankment and many new streets stood to its credit, and its sewage system was acknowledged to be the best in the world. But an odour of scandal attended it, and in the year 1888 it had been brought into low repute by the exposure of jobs by which certain of its members had made corrupt profits. The Act of 1888 abolished the Board of Works and instituted an elective Council for London, but left the City Corporation untouched, retained the control of the police in the Home Office, and the control of the water supplies in the hands of an independent authority which later became the Metropolitan Water Board. The local vestries and

district boards also, for the time being, retained a good many of their functions. The new London Council contained 118 members, two for each of the 57 Parliamentary Boroughs, four for the City of London, and nineteen aldermen, the former being elected for three years, the latter for six, one half retiring every three years.

The first elections for the new Council took place in March, 1889, and, to the astonishment of the Government which had called it into being, resulted in a large Liberal, Radical and semi-Socialist majority. Ministers appeared to have presumed that London, being predominantly Conservative in its Parliamentary representation, would be of the same complexion in its local affairs. The dominant party rapidly undeceived it. Largely under the influence of the Fabian Society and its active and ingenious leaders, Mr. and Mrs. Sidney Webb, Mr. Bernard Shaw, Mr. Graham Wallas and others, it developed a Progressive policy which challenged a great many vested interests that had been favoured or left undisturbed by the Board of Works. It was for extending municipal services to the utmost of its powers, providing trams and steamboats, building working-class houses and lodging-houses, multiplying parks and open spaces, providing baths, wash-houses, and other amenities, and applying to its own employees and imposing on its contractors the principle of the standard wage and the eight-hour day. Liberal and Labour worked together on an agreed policy, and by joining forces built up an impregnable position which withstood all assaults for the next seventeen years. The activities of the Council during this time were the one serious check to the predominant Conservatism of this period, and the Conservative party came to regard it as a hostile body propagating dangerous ideas which might too easily spread to other municipalities and finally to Parliament. It was for the taxation of ground-rents and the principle of "betterment," and was evidently encroaching on private enterprise by its zeal for municipal services under public control. Ten years later a Conservative Government sought to curb its authority and prevent the extension of its powers by creating twenty-eight more or less independent Borough Councils in London in place of the weak and discredited vestries and district councils.

Chamberlain claimed in after years that he had succeeded in imposing a considerable part of his "unauthorized programme" of 1885

upon the Unionist party, and his hand may no doubt be seen in the abolition of school fees which in 1891 established free education in elementary schools. Some advance was made in secondary and technical education by a measure giving local authorities power to raise a rate for this purpose (1889) and by the allocation to the same purpose of the yield of a recent tax on spirits which had been intended to provide compensation for the extinction of publicans' licences (1890). Parliament having put its veto on this project, Education for the time being received the benefit of the tax. Between the publicans' friends who disliked the idea of licences being extinguished, and the Temperance party which disliked the idea of publicans being compensated, practical temperance reform had little chance in these days.

Goschen served the Government well as Chancellor of the Exchequer. If he indulged the spending departments and gave Mr. W. H. Smith his £300,000 for the soldiers, he kept expenditure well below the dreaded ninety-million mark, and by adroit adjustments and small new taxes was able to please his party by reducing income-tax to the promised sixpence. But his great achievement and that by which he is chiefly remembered was his conversion in April, 1888, of £500,000,000 3 per cent. Consols to $2\frac{3}{4}$ and ultimately $2\frac{1}{2}$ per cent. The justification of this operation was its success. Having the choice of getting their money back, the vast majority of holders consented to the conversion. Goschen's critics, who were not few, alleged that they had innocently followed the advice of their bankers whom he had tempted with a commission of 1s. 6d. per cent. on the converted stock, but the public, which was promised an ultimate saving of £2,800,000 per annum, said that he was a clever financier who understood the City, and judged this inducement to have been well worth while. His prompt action at the time of the Baring crisis of 1890, when he supported the Bank of England in taking over the £21,000,000 liabilities incurred by the House of Baring, was warmly approved by the City though sharply criticized in other quarters. Certainly it averted what would otherwise have been a far-reaching financial panic and largely mitigated the economic depression that followed.

CHAPTER IV

BISMARCK'S LAST OVERTURE

1888-90

I

ALL through the year 1887 Europe had been on the edge of war, and at the beginning of 1888 the leading Vienna journal heard sounds in the air "like the cracking of walls in a falling house." The foundations of the European house were indeed very insecure. Germany was still buttressed with her alliances and secret treaties, but the wound to French pride was unhealed; Boulangism had still to be reckoned with, and Russia saw her advance in the Near East brought to a halt by German and Austrian diplomacy. The previous year, said the journal, had begun with the most serious apprehensions, and the new one began with similar anxieties.

Bismarck's own reflections were not far different. In spite of his efforts for now seventeen years to win German security by the isolation of France, the goal seemed as far off as ever. On February 6 he came to the Reichstag with a proposal to increase the German army by 700,000 men, and made the last of his great speeches in that Assembly. In this he presented himself as a good man struggling with adversity in a world of evil. Germany, "upright and loyal," had striven to keep the balance true between Russia and Austria, but because he could not go the whole length of supporting the former against the latter, he had been rewarded with a campaign of vilification and threats which had compelled him to enter into a defensive alliance with Austria. He still hoped that the Tsar would be true to his assurances that he desired peace, and, if he would only say what he wanted in Bulgaria, he would support him "diplomatically in any diplomatic step." But he had to recognize that the future was obscure and

dangerous, for though it did not follow that Russia would attack Germany if there were a war between France and Germany, it was quite certain that France would do so if there were a war between Germany and Russia. There was thus looming ahead the spectre of the "war on two fronts" and such increase of force was necessary as would enable the German people to face it with courage and composure. Having denounced as baseless and malicious the idea that Germany would use the force thus provided for a "preventive war," the speaker wound up with his most famous peroration: "We Germans fear God, but nothing else in the world."

British Ministers must be presumed to have listened with some anxiety to the prognostication of a possible and even probable war, in which, after their Mediterranean Agreement, they were very likely to be involved. The subsequent months show them retreating before a German effort to draw them still further into the European net. In March the old Emperor William died, and after a few months of nominal reign as a hopeless invalid, the Emperor Frederick too passed from the scene, and William II succeeded to the throne, the young man about whose anti-British sentiments Bismarck had endeavoured to reassure Salisbury in the previous year. As if with a presentiment that the ground was slipping from under his feet, the German Chancellor worked feverishly to redeem the time. He seems to have concluded that the one thing necessary to lay the spectre of the war on two fronts and win the security which had eluded him, was to obtain a pledge of British support for Germany in the West corresponding to that which she had already given to Austria and Italy in the Near-East—in fact, though not in form, to make her a fourth member of the Triple Alliance.

So in January, 1889, he again forgot his objections to treaties or alliances with the unstable Parliamentary Power, and instructed Count Hatzfeldt, the German Ambassador in London, to propose to Salisbury a British-German treaty pledging both countries to common action in the event of a French attack upon either.¹ This time he asked for an open and public treaty, for though, as he said, a secret one would secure joint-action after a war had broken out, only a public one would

¹ German Official Documents: "Die Grosse Politik der Europäischen Kabinette," Vol. IV, No. 943 (referred to hereafter as "G.P.").

prevent its outbreak. The argument which the Ambassador was instructed to use throws a dry light on German ideas of British policy at this time. He was to show how valuable German support would be to Great Britain against the rising Power across the Atlantic. The idea of an inevitable war between Great Britain and the United States had haunted his thoughts for a long time past, and in his gloomier moments it had afforded him the consolation of thinking that the "Anglo-Saxons" would in this way keep each other occupied and remote from the affairs of Europe. But it was capable also of being used as a diplomatic counter in negotiations with England and so the Ambassador was instructed to use it. As an inducement to Salisbury at that moment it can scarcely have ranked high. The recent Sackville incident which the Germans had regarded as the prelude of the coming conflict was undoubtedly annoying, and there was much sympathy in England for the Ambassador who had fallen into a trap cunningly laid for him by American politicians and newspaper men.¹ But according to all the rules of diplomacy his recall was justified, and the British Foreign Office made no show of resisting it. At worst it was only a ripple on the surface of British-American relations.

2

A further suggestion of what might happen to England in Europe if she persisted in her policy of isolation was a more serious matter, and for the next sixteen years it was to be the subject most pondered by British statesmen. In general the established British policy under both Liberal and Conservative Governments had been that of leaning on Germany and the Triple Alliance for support against France in the troubles she was making over the occupation of Egypt. A price had had to be paid for this support by concessions in Zanzibar and

¹ Lord Sackville had been drawn into a correspondence with a man professing to be a Canadian, living in California, but in reality an agent of the Republican party. He had also granted interviews in which he was reported to have expressed views outside the functions of an Ambassador. President Cleveland, fearing that the sympathy which the Ambassador was supposed to have expressed with the Democratic party would lose him the Irish vote at the coming election, requested his recall.

Samoa and finally in the Mediterranean Tripartite Agreement, but Salisbury had accepted that Agreement as a check on Russian ambitions rather than as an act of adhesion to the Triple Alliance. He was now asked to declare himself publicly on the side of Germany against France, and share with her the liabilities of the "war on two fronts" about which Bismarck had spoken openly in the Reichstag in the previous year, i.e. to break completely and publicly with the hitherto settled policy of declining alliances in Europe.

Faced with the direct question, Salisbury procrastinated. He told the Ambassador that he recognized the high significance of his communication, but asked for time to consider so far-reaching and important a proposal. Count Hatzfeldt was to tell Prince Bismarck that he took it very seriously, but for the time being proposed to say nothing about it either to the officials of the Foreign Office or even to Her Majesty the Queen.

This was on January 11, and for three months no more was said. By the middle of March Bismarck was growing impatient, and he sent his son, Count Herbert, to London ostensibly to talk about colonial questions, but in reality to discover what Lord Salisbury was thinking about the Alliance project. On March 25 the Count wrote to his father :

Lord Salisbury entirely agreed with me that this [an Anglo-German Alliance] would be the best tonic for both countries and for European peace. He had spoken about it to Lord Hartington and his colleagues, all of whom had shared his opinion, but considered it inopportune to act upon the suggestion, since it would cause the Parliamentary majority to collapse, carrying the Ministry with it.

Lord Salisbury added : "We live no longer, alas, in Pitt's times ; the aristocracy governed then and we were able to form an active policy, which made England after the Congress of Vienna the richest and most respected Power in Europe. Now democracy is on top, and with it the personal and party system, which reduces every British Government to absolute dependence on the *aura popularis*. This generation can only be taught by events."¹ I was forced to agree with Lord Salisbury, I am sorry to say. I replied : "We expected that you would not be able to give us a definite answer, and you know that it does not affect our good relations in the least. Since, however,

¹ The last sentence in English.

an Anglo-German alliance is in itself a reasonable idea, and since you in England can never make the original offer, however much you wish to do so, the Chancellor considered himself bound to ask permission from the Emperor, at any rate to mention the matter."

At this Lord Salisbury declared he was very grateful for the suggestion and hoped he would live to see the changed conditions, so that he might be able to give it practical consideration. "Meanwhile, we leave it on the table, without saying yes or no ; that is unfortunately all I can do at present."¹

The wheel had now come full circle. In 1885, when Randolph Churchill had suggested an Alliance, Bismarck had instructed the German Ambassador to tell him that Parliamentary institutions and changes of Government in England made anything of the kind impossible. In 1888 Salisbury used the same argument to decline an Alliance when Bismarck himself offered one.

Characteristic as is the picture of Salisbury confiding to Count Herbert his gloomy reflections on the defects of British institutions, we may conjecture that other reasons contributed to his decision. It is unlikely that the Parliament of this time would have withheld its consent from a policy recommended to it jointly by Lord Salisbury and Lord Hartington as the "best possible prescription for both countries and for European peace." Salisbury's own reflections on European commitments as recorded at a later date² probably came nearer to expressing his true opinions at this time as later. If he was not consistently for "splendid isolation," he had serious objections to Britain becoming a full European Power, definitely committed to one or other of the constellations in the European system. It may be added that English public opinion was by no means favourably disposed to closer relations with Germany at this moment. The wrangles over the death-bed of the Emperor Frederick, the loud assertiveness of the young Emperor and his harsh treatment of his mother, the eldest daughter of Queen Victoria and Princess Royal of Great Britain, had created an impression by no means favourable to the new régime.

3

At the end of 1889 and in the early months of 1890 there was a minor crisis with Portugal—England's oldest ally—in which Salisbury

¹ G. P. Dugdale's translations, Vol. I, p. 374.

² See p. 110.

employed the mailed fist. A Portuguese force under Major Serpa Pinto invaded the Shire highlands (north of the Zambesi river and part of what is now the British Nyasaland Protectorate) with the obvious intention of forestalling their annexation by Great Britain. The British Consul at Mozambique, Mr., afterwards Sir, H. H. Johnston, warned him back and, when he persisted, declared the country to be under British protection. Salisbury confirmed this by dispatching a British squadron to the mouth of Tagus and presenting an ultimatum requiring the withdrawal of all Portuguese forces from the Shire. The Portuguese Government gave way under protest, but disturbances broke out in Oporto and Lisbon, and order was only restored by the resignation of the Government and the formation of a Coalition Government to tide over the internal crisis. King Carlos showed his resentment by declining the Garter offered by Queen Victoria, but in May the Cortes consented to sign a treaty abandoning the Portuguese claim to a trans-African Dominion. Salisbury's action accorded with the mood of this time and was generally approved.

Though he had shelved Prince Bismarck's overture for an alliance, Salisbury remained true to his policy of working with Germany and purchasing her good-will with the necessary concessions on colonial grounds. In the years 1890 and 1891, he kept close touch with the Germans in what was then thought to be a final, or at least final, partition of the African Continent between the European Powers, and so redeemed his promise to "keep step" with them while declining a closer partnership.

A glance backward is necessary to explain the African position as it was in these years. The scramble for territory in that continent had been going on continuously since the discovery of the Congo by H. M. Stanley, the British explorer, who, acting for the King of the Belgians, had founded the Congo Free State on the south bank of the river, while de Brazza acting for France had annexed a large territory on the north bank. The Portuguese claimed rights over both banks of the river on the coast, and Lord Granville burnt his fingers badly by concluding a treaty with them under which the navigation of the Congo was to be controlled by an Anglo-Portuguese Commission. All the other Powers protested against this arrangement and under their pressure the treaty was withdrawn. Bismarck was

now entering the field, having abandoned his theory that Germany was a "sated Power" with no need of Colonies, in deference to German industrialists and merchants who were loudly demanding their "place in the sun."

Thinking its position secure, the British Government of that time had been slow to move, and was unpleasantly surprised when in 1884 the German Chancellor started a vigorous diplomatic offensive, in which he made himself extremely disagreeable to Lord Granville, then Foreign Minister, and threatened to make trouble everywhere for Great Britain if she did not fall in with his plans for expansion in Africa. There was in those days no great enthusiasm for African colonies in Downing Street, and for the sake of a quiet life the Government conceded a good deal. Germany thus got her colony of Southwest Africa (with the exception of Walvis Bay) and proclaimed Protectorates over Togoland and the Cameroons, having just got in front of the British Consul, who had been instructed to hoist the British flag over some part of the same region.

French and British, meanwhile, were racing each other for the control of the lower Niger, but here the British National African Company, afterwards the Royal Niger Company, under the spirited leadership of Sir Taubman Goldie, distanced their rivals and eventually bought them out. France in these years had acquired Tunisia, and was extending her influence in Morocco, but she had her eye also on Central Africa and cherished far-reaching ambitions for extending the French Congo to the head-waters of the Nile. These were to receive their final check when Major Marchand encountered Kitchener at Fashoda in 1898, and by this time the French had made good their claim to a large part of the intervening territory, Senegal, Lake Chad, etc., and when the Great War came, drew from it a large number of Senegalese and other troops. Italy too was in the field seeking to obtain a footing on the Red Sea coast in Somaliland and Eritrea, where she established herself after serious reverses at the hands of the Abyssinians: and Spain entered large and vague claims to parts of Morocco and the north-west coast. During the same years Great Britain and Germany were in perpetual conflict about the east coast, but after hard bargaining, in the course of which Lord Salisbury ceded Heligoland to Germany in return for a British Protectorate over the

dominions of the Sultan of Zanzibar, the limits of German East Africa were laid down and Uganda definitely assigned to Great Britain.

These rivalries and the perpetual claims and counter-claims to which they gave rise, as explorers and adventurers crossed each other's tracks and hoisted their respective flags on the same ground, had serious results upon the relations of the Powers. At a Conference in Berlin in February, 1885, an effort had been made to lay down rules for the Congo and Niger basins, but these were very imperfectly observed even in that region, and by the beginning of the year 1890 it had become evident that serious trouble threatened unless some steps were taken to keep the rivalry of the Powers within bounds. In the next eighteen months the Governments concerned negotiated a series of treaties which were in effect a partition of Africa. Under a British-German agreement, the two Powers defined their spheres of influence in East, West and South-west Africa; and under a similar agreement, France recognized British influence between the Niger and Lake Chad in return for British recognition of the French Protectorate over Madagascar, and French influence in the Sahara and the North-west. This was far from the end of the story. Even more exciting phases were to come when Cecil Rhodes appeared on the scene, and began working northwards from the south, and when Marchand appeared on the Nile after the British reconquest of the Sudan. But the treaties of 1890-1 served to keep the peace and abate the more serious friction for the time being.¹

4

The story of the cession of Heligoland to Germany enters as a by-play into the African story and is richly recorded in the German documents. The first suggestion seems to have come from Chamberlain, who in these years was a warm advocate of friendship with Germany and thought the island a suitable compensation for the concessions which Lord Salisbury was seeking in South-west and East Africa. Count Herbert Bismarck, to whom, while he was on a visit to London, Chamberlain broached the idea in strict confidence, records that he

¹ This brief summary is reproduced from the author's "Short History of Our Times."

could with difficulty conceal the satisfaction with which he received it. The British evidently had no idea of the importance which, with the Kiel Canal in prospect and the dream of naval power materializing, this little island had in German eyes. The young Emperor was delighted and wished to push forward at once to the conclusion of the bargain. But Bismarck said, wait; too much eagerness might make the British suspicious and cause them to draw back. So the Ambassador in London was instructed to feel his way with Lord Salisbury, who said that while he personally felt no great enthusiasm for "granting territorial advantages to Colonies which were more or less independent," he was "quite unable to see what real advantage Heligoland would be to Germany." She would be obliged to lay out large sums of money to make anything of the island, and he believed "its existence was not assured for ever, since it was badly undermined by the sea." The Ambassador agreed that the gain to Germany was almost nil but suggested the remote possibility that in a war between her and France French warships might run to a shelter there and so embitter British and German relations—a suggestion which Salisbury scouted as altogether out of the question. The Ambassador reported to his Government that Salisbury had an open mind, but that it would be better not to press him further at present, and above all not to "give him the impression that we set great store by possessing the island."

This was in April, 1889, and since Bismarck again said wait, the question slipped over the year and was not settled finally until May of the following year, when Bismarck had passed from the scene. Then finally, after hard-bargaining, Salisbury ceded the island in exchange for the withdrawal of the German and the substitution of a British Protectorate over Zanzibar and Witor. "The English Cabinet," said the Ambassador in summarizing the transaction, "has not the slightest idea what value Heligoland has for us in regard to the Baltic Canal, and it goes without saying that I have most carefully avoided letting any knowledge of this subject leak out." In his post-war "Memoirs"¹ the ex-Kaiser goes the length of saying that "through the possession of the island the building of the German navy and its victory at the Skager Rak were made possible." If the

¹ "My Memoirs," English trans., p. 55.

possession of the island really had this portentous result, history might say that Salisbury was the instrument of an ironic spirit preparing disaster for Germany.

5

The African treaties and his abortive effort to obtain a British Alliance were Bismarck's last throws. On coming to the throne the new Emperor had declared his complete confidence in the illustrious statesman who "under imperial guidance" had steered the ship of State for so long, but events soon showed that there was no room in this ship for both a masterful pilot and a young captain who was panting to take the helm. On March 18, 1890, the pilot received his dismissal, and the captain made it known that he was about to steer "a new course." What this might be was the subject of much discussion and mystification at the time, but it was roughly brought home to Russia when the new Emperor and his Chancellor "cut the wire to St. Petersburg" by refusing to renew the "Reinsurance Treaty" with Russia. In form the refusal came from the Tsar, but only after he had ascertained that the Germans were against renewal. There was much that a strict moralist might say about the duplicity of this treaty, with its secret engagement to Russia behind the back of Austria; and Holstein, the German Permanent Secretary, who had never till then developed scruples about any act of policy, discoursed improvingly on this aspect of it. But to prevent Russia from feeling so isolated that in the absence of any other friend she would gravitate to France had been a cardinal object of Bismarckian diplomacy, and from the German point of view its wisdom could not be questioned. Whatever might be said about the form of the treaty, to dispense with it without offering any substitute was an act of folly for which the new régime in Germany was to pay heavily.

France and Russia now saw one another as bed-fellows in misfortune. Russia had been thrust out of the German circle and stood alone without a friend in the world. France still walked in fear of a German attack, and in 1891 it again seemed dangerously near. In February of that year the Empress Frederick paid a well-intentioned visit to Paris, but by a tactless excursion to Versailles and St. Cloud, where the marks of German shells were still visible, brought down upon

herself the wrath of the Paris press, and when she went home it was with a clear intimation that she had outstayed her welcome. The Emperor retorted with a bellicose speech on the parade ground at Potsdam, and all through the spring the talk was of war. In the middle of this clamour the Tsar conferred the highest Russian decoration on the French President and invited a French squadron to visit Cronstadt in the following year. The Germans now devoted themselves to procuring the renewal of the Triple Alliance, threatened on the Italian side by the fall of Crispi, and, after a stiff fight against French efforts to undermine it, succeeded in keeping Italy within the German constellation and renewing the Alliance a little before its time, (May 6, 1891). But this only made the situation more urgent for France and Russia. At the beginning of July the German Emperor paid his first state visit to London, and in an exuberant speech at the Guildhall pledged himself to maintain the historic friendship between Great Britain and Germany, "two nations which had so often stood side by side in the cause of freedom and justice." This seems to have been the last straw for France and Russia, and a fortnight later, when the French fleet came to Cronstadt, the Tsar Alexander stifled his objections to French Republican institutions and stood bare-headed on the quay while the Russian Imperial band played the battle-hymn of the Republic. Before the fleet left, M. de Giers and the French Ambassador concluded an agreement, which two years later was converted into the Treaty of the Dual Alliance.

6

Thus within twenty years of the Franco-Prussian war and the Treaty of Frankfurt, the Bismarckian policy of finding security for Germany by the isolation and subjection of France lay in ruins, and the balance of power was re-established. Looking back we may well note the Cronstadt festival as a momentous occasion, marking the division of Europe into the two camps which came to their clash in the Great War, but it would be a mistake to suppose that the meaning or consequence of this event were realized at the time by any of the other Governments. The Tsar had yet a long way to go before he was ready to convert the agreement of 1891 into the Alliance of 1893. In the interval he had many cold fits, and his son, afterwards

the Tsar Nicholas, fought hard to stem the tide which was carrying Russia away from Germany. In the meantime the Germans were persuaded that the Tsar was not serious in his approach to France, and all the Ambassadors assured their Governments that nothing had happened beyond an exchange of compliments between the French visitors and their Russian hosts. There were no better kept secrets than the treaties and agreements of the European nations in these days, and then and for many years later French and Russians kept their dealings with each other strictly to themselves.

Before leaving England the German Kaiser paid a visit to Salisbury at Hatfield, and Baron von Marschall, then Foreign Secretary, who accompanied him, has left a careful record of his conversations with the British Prime Minister. Salisbury, according to this record, was much preoccupied with the supposed designs of Russia on Constantinople and the Straits, and feared a sudden assault either by sea or by land. If anything of this kind happened while he was in power British action, he told the German, would be prompt and forcible. "You may count on us, we shall be there on time." But he feared that Russia would delay action in the hope of a change of Government in Great Britain, and if that took place he could not say what would happen. He knew one man who would assuredly not continue his policy, and that was Gladstone. But he was old and no longer fit to lead a Government, and if Rosebery were Foreign Secretary, he would act exactly as he (Salisbury) would. Neither Marschall nor Salisbury appears to have glanced at the Mediterranean Agreement of 1887, which on the face of it would have bound any Government to make common cause with Austria and Italy in defence of the "freedom of the Straits," but the German attitude on this matter had been and was still so ambiguous that any direct allusion to it would probably have been an embarrassment to the German Minister.

Salisbury asked anxiously about Franco-Russian relations, and on that subject the German was reassuring. They could, he thought, safely stake on the Tsar's feeling for monarchy—an observation which Salisbury confirmed by saying that the Tsar had quite recently shown a decided interest in the maintenance of the Portuguese monarchy. In general the record shows Salisbury still adhering to the traditional anti-Russian policy of his party and still leaning on Germany and the

Triple Alliance. But neither he nor his German guest appears to have had any presentiment of what was on foot between France and Russia.

7

In March, 1891, disaster befell a small British expedition under the Chief Commissioner of Assam (Quinton) which had gone to the native State of Manipur on the border of Upper Burma to settle a quarrel arising out of the deposition of the ruling Rajah by the Senapati, his Commander-in-Chief. The Manipuris attacked the British Residency in greatly superior force and murdered the Chief Commissioner, the British Resident (Mr. F. Grimwood), and two officers who had gone unarmed to parley with them. The rest of the Expedition, which was composed mainly of Gurkhas, escaped, taking with them Mrs. Grimwood, the wife of the Resident, and after many privations and dangers got back to Cachar. A punitive expedition followed and captured the ringleaders, two of whom, the Senapati and one of his generals, were hanged. There was much criticism of the handling of this affair, and Queen Victoria, as her correspondence shows, did her utmost to prevent the death sentences from being carried out, but Lord Lansdowne, who was then Viceroy, insisted that it was necessary to make an example of the chief culprits, and the Home Government supported him.

CHAPTER V

MR. GLADSTONE'S LAST GOVERNMENT

1892-4

I

ON October 6, 1891, Mr. W. H. Smith, the Unionist leader of the House of Commons, a shrewd but simple man, whose brief speeches with their almost invariable appeal to his "duty to Queen and country" had endeared him to its members, died and was succeeded by Balfour. This was an undisputed succession, for though, as Salisbury told the Queen, he himself was unable to propose the appointment of his nephew, the Conservative party was unanimous that no one else could lead them so well as the brilliant young man who had dealt so drastically, and for all immediate purposes so successfully, with the Irish trouble. Ireland was now more occupied with the dispute between Parnellites and anti-Parnellites than with the winning of Home Rule, and the Unionist party was convinced that thanks to Balfour's firm administration and the stroke of luck which had thrown the Home Rulers into confusion, the Union was safe, whatever might happen in Great Britain.

Misfortunes befell the Royal family during the next few months. The Prince of Wales's eldest son, Prince Albert Victor, Duke of Clarence, died after a short illness on January 14, 1892, only a few weeks after the announcement of his engagement to Princess May, daughter of the Duchess of Teck. His brother, Prince George, who now became Heir-Apparent, had been suffering from typhoid fever and was barely convalescent at this time. A few weeks later the Queen lost a favourite son-in-law through the death of the Grand Duke of Hesse-Darmstadt, husband of Princess Alice, and father of the future Empress of Russia. Her letters show her depressed by

these blows and looking with alarm to the prospect that Mr. Gladstone and the Liberals would return to power. This was by no means a certainty as yet, but the Liberal party had rallied from the Parnellite disaster and seemed to be recovering the lost ground in Great Britain, and a Government which had been nearly six years in power offered a broad target for attack. In view of the approaching election, Ministers defined the limits of the concessions they were willing to make to Ireland in a Local Government Bill introduced on February 18, which proposed county councils on the British model but with special safeguards said to be required by the conditions of Ireland. It was derided by the Irish and pronounced totally inadequate by the Liberals, and after it had served its purpose of defining and limiting Unionist policy, no more was heard of it.

The old Queen listened with alarm to the sound of electioneering without. Though she had been warned that the Liberal party would accept no Prime Minister but Mr. Gladstone,¹ she had intended, as she told her secretary, to send for Lord Rosebery in the event of the defeat of the Government. But he too seemed as bad as the rest. A speech which he made at Edinburgh on May 12 attacking Lord Salisbury and declaring for Home Rule shook her out of all composure. "She must say," she wrote to Sir Henry Ponsonby, "how dreadfully disappointed and shocked she is at Lord Rosebery's speech, which is radical to a degree to be almost communistic. Hitherto he always said he had nothing whatever to do with Home Rule, and only with Foreign affairs; and now he is as violent as anyone." After "this violent attack on Lord Salisbury, this attempt to stir up Ireland," it would be impossible to send for him, but "the G.O.M. at eighty-two is a very alarming outlook."

Salisbury decided that the dissolution should take place in the last week of June—a decision which the Queen thought premature and unnecessary—but the Unionist party managers were convinced that they could only lose by waiting. There never was so depressed an election. The country was tired of the Unionist Government, but without enthusiasm for its successors. The Irish quarrel had taken all the glamour out of Mr. Gladstone's crusade; British Radicals saw no prospect for the causes they had at heart. By heroic efforts

¹ "Queen Victoria's Letters, 1886-1900," pp. 103-4 and 121-2.

Liberals and Irish scraped together a majority of 40¹ which, as their opponents pointed out, left them absolutely at the mercy of the Irish party in the teeth of a British majority against Home Rule. Mr. Gladstone's own majority in Midlothian was reduced from 4,000 to 690. The Queen hoped to the last that the state of his health and the uncertainty of the position would prevent the "great misfortune" of a change of Government, but the majority had no such thought, and when Parliament met it proceeded at once to displace the Government by voting in full strength on an amendment to the Address—which she stigmatized as "iniquitous." Mr. Gladstone had never for a moment dreamt of letting his age or the state of his health be a bar to his resuming office if he obtained a majority, and in spite of all the difficulties he was as determined as ever that Home Rule should hold the first place in his programme. The Queen, being warned that any other course would land her in the same embarrassment as in 1880, when she applied first to Lord Hartington, bowed to the inevitable and sent for Mr. Gladstone, while rather pointedly expressing the hope that he and his friends would "continue to maintain and promote the honour and welfare of her great Empire."

The main difficulty in forming the new Government was with Rosebery who persisted to the last moment in saying that he hated politics, and that insomnia and the recent death of his wife and his duty to his children incapacitated him for office. A long and agitated interview with Mr. Gladstone left him apparently unmoved, but Mr. Gladstone included him as Foreign Secretary in the list that he submitted to the Queen, and after a personal appeal from the Prince of Wales he acquiesced. "Without you," said Sir William Harcourt, "the Government would be ridiculous, with you it is merely impossible," a diagnosis which was to be justified two years later. Harcourt himself was Chancellor of the Exchequer, and the Cabinet included the veteran Liberal peers—Ripon, Kimberley, Spencer, Herschell—who had survived the Home Rule split. Two appointments which specially caught the public eye were those of H. H. Asquith as Home Secretary and Arthur Acland as Vice-President of

¹ The actual figures were Liberals and Irish, 355, Conservatives and Liberal Unionists, 315.

the Council and Minister of Education. Asquith had made his mark as the most brilliant debater among the younger men in the House of Commons, and was already hailed as a future Prime Minister. To him had been entrusted the amendment on which the late Government had been defeated, and by common consent his speech was a masterpiece. Acland was to leave a permanent mark upon education policy, but he had once been a clergyman and his appointment to this particular place was thought ominous by the Anglican supporters of Voluntary schools. A third appointment which was prophetic of the future was that of Sir Edward Grey to be Under-Secretary for Foreign Affairs.

With Rosebery as Foreign Secretary, Campbell-Bannerman as Secretary for War, and Asquith as Home Secretary, the new Cabinet contained three future Prime Ministers, and with Lord Herschell as Lord Chancellor, Sir Charles Russell as Attorney-General and Sir Horace Davey as Solicitor-General, it was richly endowed with legal talent. The Queen was a little consoled to find that in spite of their subversive "communistic" opinions her new Ministers were for the most part agreeable and accomplished men. She confided to her Diary that Asquith was "an intelligent rather good-looking man," and that she found him "pleasant, straightforward and sensible." On one point only she was intractable. She would not on any account have Labouchere, the famous or notorious editor and proprietor of *Truth*, in any capacity in which he would be required to kiss her hand, i.e. as Cabinet Minister or Privy Councillor. Since Mr. Gladstone had trouble enough on his hands, and was by no means inconsolable at Labouchere's exclusion, he forbore to fight the point, but the incident rankled and left a dangerous free-lance at large on the flank of the official Liberals. Labouchere's next move was to endeavour to get himself appointed as Ambassador in Washington,¹ and when this also was refused him, he became the implacable enemy of the Foreign Secretary. In the course of these affairs he said with great candour that if he were not given his way he would prove a "dangerous nuisance," and he found many opportunities in the coming years to make good this threat.

¹ "Life of Lord Rosebery," Ch. XIII.

There was a lull in the affairs of Europe during the years 1892 and 1893, and the other Powers seem scarcely to have been aware of the comings and goings behind the scenes which, after many vicissitudes, were to convert the preliminary agreement of 1891 between France and Russia into the full-fledged Dual Alliance of 1894. The subjects which most troubled the new British Cabinet were Uganda and Egypt, and on both of these the latent differences between the new Foreign Secretary and his Radical colleagues became at once a cause of friction.

There were two schools of opinion about Uganda, one of which declared it to be the garden and the other the bear-garden of Africa. Superficially there was much to be said at the time for the second of these opinions. There was incessant trouble between Mohammedans and Christians, and between Catholic Christians and Protestant Christians. The Chief M'wanga, played about between the factions, and in the year 1890 made treaties first with Dr. Peters, who came into the country with a German expedition in defiance of the Anglo-German agreement of the previous year, and later with Captain Lugard who followed as an emissary of the British East Africa Company and rescued M'wanga from defeat at the hands of the opposing factions. Lugard obtained a Protectorate for the company, but the directors in London soon tired of the business and announced in the summer of 1891 that they had no funds to carry it on. Beyond sanctioning a small grant to enable the company to hold on for a few months longer, Salisbury did nothing, and Lugard received instructions to evacuate before the end of the year.

This was the situation when the new Government came in, and it was generally assumed that Liberal Ministers would be even less concerned than their predecessors to interfere with the course of events which would have wound up the East Africa Company's enterprise. But for several months past strong influences had been at work to prevent evacuation. It was urged that, apart from its local resources or desirability as a possession, Uganda was one of the key positions of the African continent, and that if it passed into other hands, there would pass with it the control of the sources of the

Nile—a matter of high importance to the Power which was responsible for Egypt. It was also pointed out that its position on the northern shore of Lake Victoria Nyanza made it vital to that dream of empire—the all-British Cape to Cairo railway—which Cecil Rhodes had lately been expounding with apostolic fervour at the Foreign Office and in London drawing-rooms. Being thus linked up at one end with the question of Egypt, and at the other with the schemes of the new South African pioneer, Uganda became a focal point in the argument for and against Imperialism.

Egypt was an equally testing subject. It was barely seven years since Salisbury himself had started negotiations with the Sultan of Turkey for the evacuation of the country, and though these broke down through the blundering of the French Government, opinion was still very uncertain even on the Conservative side about continuing the occupation indefinitely. In 1892 the great majority of the Liberal Cabinet looked forward to the evacuation of Egypt, and few of its members had any faith in Cecil Rhodes's expansionist schemes.

It was therefore a shock to them to find that their Foreign Secretary had strong and stubborn views on both these points, and was prepared to make Uganda a test case within a few weeks of taking office. Harcourt stormed, Gladstone expostulated, Morley, and even Asquith, were in dismay. By the beginning of October Rosebery was on the point of resigning, and the rupture was only avoided by a "compromise" which postponed evacuation for three months. This enabled Rosebery to carry his point. During the three months a Commissioner (Sir Gerald Portal) was sent out to make an independent report, and eighteen months later (April 12, 1894) it fell to Harcourt himself to announce to the House of Commons that on the strength of this report the Government had decided to proclaim a Protectorate over Uganda.

In Egypt Lord Cromer was calling for strong measures against the young Khedive, who had peremptorily dismissed three Ministers of known pro-British proclivities, and though the Cabinet consented to increase the British garrison, this was only sanctioned by the anti-Imperialists as a temporary measure which left the question of evacuation open.

3

The Parliamentary situation which had now to be faced was one of the least encouraging that ever presented itself to a new Ministry. To go on with Home Rule Mr. Gladstone regarded as a debt of honour; and it was also, as opponents were quick to point out, a condition of existence, since only so could the necessary Irish support be secured. But with a majority of only 40, and a doubtful Parnellite faction among the Irish, this effort was doomed from the beginning. Liberals might argue that to discriminate in favour of British as against Irish votes was to confirm the inequality of which the Irish complained, but the margin was narrow enough in any case, and the hostility of the "predominant partner" was a stubborn fact which told heavily against the Liberal policy. Everyone knew that another Home Rule Bill, even if it survived debate in the House of Commons, would go to instant destruction in the House of Lords. Mr. Gladstone moreover was eighty-three years old; he was blind in one eye and deaf in one ear; his opponents were confident that if he were defeated this time he would pass from the scene and his policy be dropped and forgotten.

His spirit nevertheless was unquenchable, and at the beginning of the session of 1893 (Feb. 13) he introduced his second Home Rule Bill with the same eloquence and fervour that he had displayed at the first time of asking six years previously. The Bill was fought at every stage, and by all the weapons that an able and skilful opposition could bring to bear upon it, but on each of the eighty-two days through which it was spun out, he was in his place arguing, expostulating, pleading, breaking out on the spur of the moment into the brilliant railcry of which, on due incitement, he was master. With his copiousness and his discursiveness he presented a broad target to opponents, who on their side brought the art of Gladstone-baiting to a high perfection. There were some who suggested that business would be expedited if Mr. Gladstone could be induced to spare himself. But those who remember it, still think of his performance during those weeks as the greatest Parliamentary effort on the part of one man in their experience of the House of Commons. Opponents as well as friends bore tribute to it. After an impromptu of

Mr. Gladstone's, mainly at his own expense, Chamberlain came into the Lobby saying "that is the speech I would rather have made than any I ever heard in my life."

Except that it substituted a Second Chamber, or "Legislative Council" for the single chamber with its two "Orders" of the first Bill, the new plan differed little from the plan of 1886. It proposed the same subordinate Parliament with safeguards and delays for the transitional period, and it raised the same difficulty about the Irish representation in the House of Commons. In its original form it provided that there should be eighty Irish members at Westminster, but that they should not vote on measures expressly confined to Great Britain. This was generally condemned as unworkable, and was withdrawn in Committee and inclusion for all purposes substituted. Unionist critics condemned all possible solutions of this knotty question. To leave the Irish out of the Imperial Parliament was to stamp the measure as definitely separatist; to leave them in was to give them the power of meddling in British affairs after they had secured control of their own affairs; to bring them in for questions called Imperial and to exclude them for others, was to institute a system of double majorities which would be absolutely unworkable. There was in fact no strictly logical way of adjusting a local Parliament for one part of the United Kingdom, to a Parliament which was both local and Imperial for the whole Kingdom. Ministers could only plead that some day the logical solution would be found in a Federal system which would establish local Parliaments for England, Scotland and Wales as well as for Ireland and place the Imperial Parliament over all, but that the Irish question was too urgent to wait for this far-off divine event.

All these debates were academic. The Bill passed the Commons by a majority of 34 on its third reading (Sept. 1), and a week later (Sept. 8) was summarily rejected by the House of Lords on second reading. The peers came up in great force, a large number presenting themselves in the Chamber for the first time, to the bewilderment of the door-keepers who had no means of identifying them. Of 460 who voted only 41 recorded a vote for the Bill. Mr. Gladstone was for instant dissolution, but the opinion of his colleagues was, as he records, "hopeless adverse." They were for "filling up the

cup," going ahead with the Radical measures which were still on their programme, and, when these met their expected fate or mutilation at the hands of the Lords, taking the whole issue to the country. They doubted whether there was enough steam in the Irish question to make a dissolution on that alone a reasonable hazard, but hoped that when it was combined with other causes of complaint affecting other parts of the country they would be on safer ground. In this, as the event was to show, they reckoned too little with the immense influence which Mr. Gladstone exerted in the country, and the difficulties which would follow in their own councils if or when he withdrew.

* * * * *

On July 16, 1893, Prince George, the Heir-Apparent, who had now been created Duke of York, married Princess May of Teck, who had formerly been affianced to his brother, Prince Albert Victor. The marriage gave great satisfaction to Queen Victoria, and was warmly approved by the public.

4

A brief but serious crisis in foreign affairs arose at the end of June, 1893, while Parliament was absorbed in the Irish question. Rosebery had had incessant friction with the French since he came into office, and especially in the matter of Siam, where he suspected them of pursuing a policy which would eventually make them masters of that country and bring them into uncomfortable proximity to Burma and the Indian frontier. Their proceedings, which were undoubtedly very high-handed, moved the Foreign Secretary to a high state of indignation. On the last day of June it was reported that in pursuance of their blockade of the country, they had ordered two British gunboats stationed on the river Menam for the protection of British residents and property to leave Bangkok, and Rosebery at once telegraphed that they were to remain. This seemed to threaten an immediate collision, and for twenty-four hours there was talk of war. It then happily turned out that the British officer in charge of the gunboats had misunderstood the French Admiral, and the immediate question was peacefully settled within the next fortnight.

The incident was watched with lively anticipation by the other

Powers. Rosebery had cautiously inquired what would be the attitude of Italy and Germany in the event of a war between Great Britain and France, and the answers were on the whole encouraging. The Germans were sure that the Italians would have to intervene at once if war broke out, and in regard to their own position they thought that "from the point of view of domestic politics, a war would not be undesirable if supported by public opinion. From the military point of view it is just as good now as later." But on one point they were firm. There must be no pledge to Britain, unless she were ready to bind herself by treaty to the Triple Alliance. Rosebery had somewhat impulsively asked the Queen to convey to the Kaiser, who was then staying at Cowes, a telegram giving an alarming account of the gunboat incident, and it was handed to him (if we may believe his own account) on board his yacht by a "deathly pale private secretary" at midnight. According to one of his entourage, it threw him into a high state of excitement. He saw at once in imagination a great encounter in which France would be disposed of, and Britain compelled to link her fortunes with those of the Triple Alliance. He was correspondingly disappointed when this vision faded in the cool daylight of the next morning, and he now drew the conclusion that the British Government had knuckled under to the French. The truth was that while Cabinet and Parliament would have supported Rosebery in refusing a French demand for the withdrawal of the gunboats, both extremely disliked the idea of a war on any remote question, and the anti-Imperialists more than ever drew the moral that it was necessary to avoid spirited policies and foreign entanglements.

A month later Rosebery issued a warning to the Admiralty and War Office that the autumn would be stormy. There was a widespread belief in these months that Russia intended to settle the Straits question by forcing the Bosphorus and Dardanelles with her warships and presenting herself in the Mediterranean as a Naval Power. It was probably a German canard, for France and Russia at this time were engaged in the delicate negotiations which led up to the Dual Alliance, which was signed on January 4, 1894, and it was improbable that Russia would choose this moment to take a step which conflicted with French as well as with traditional British policy.

5

Having rejected Mr. Gladstone's idea of dissolving on the Irish question, Ministers set to work on a long and formidable programme of legislation which kept the House sitting continuously over Christmas and on into the New Year of 1894. Asquith, the Home Secretary, introduced and carried through the House of Commons an Employers' Liability Bill abolishing the doctrine of "common Employment"¹ which had been a long-standing grievance of the workers, but this again was so roughly handled by the Lords that the Government felt compelled to drop it. A Bill setting up District and Parish Councils escaped with a shaking, and in order to save it the Government accepted most of the Lords' amendments. A Local Option Bill foundered on the dissensions of various schools of Temperance reformers, but an attempt was made to lay the foundations for Welsh Disestablishment by a Bill which barred the creation of new ecclesiastical interests in Wales and Monmouth pending further legislation. Most of these measures were "ploughing the sands," as Conservatives called it, "filling up the cup," as Liberals hoped it might be. But there remained a wide sphere of finance and administration in which the Lords were powerless, and in these Ministers were indefatigable. All the departments, and especially the Home Office and Education Office, were speeded up. Asquith applied himself specially to factory and workshop questions, reorganizing the inspectorate, appointing women inspectors, and preparing the material for the Factory Act which he was to carry through successfully in 1895. Acland at the Education Office drew down upon his head the wrath of the clergy by insisting on improvements in the accommodation and sanitary arrangements of voluntary schools, but opinion generally held that he was well justified, and he contributed in many important ways to humanize elementary and prepare the way for secondary and higher education.

In the autumn and winter of 1893-4 the country¹ was plunged

¹ Under this doctrine a workman was prevented from maintaining an action for damage inflicted on him by the negligence of his employer's servant, the theory being that the employer was not responsible for the action *inter se* of his employees.

syllable on the past, except a repetition, an emphatic repetition, of the thanks she had long ago amply rendered for what I had done, a service of no great merit, in the matter of the Duke of Coburg, and which I assured her would not now escape my notice if occasion should arise. There was the question of eyes and ears, of German versus English oculists, she believing in the German as decidedly superior. Some reference to my wife, with whom she had had an interview and had ended it affectionately—and various nothings. No touch on the subject of the last Ponsonby conversation. Was I wrong in not tendering orally my best wishes? I was afraid that anything said by me should have the appearance of *louing*. A departing servant has some title to offer his hopes and prayers for the future; but a servant is one who has done, or tried to do, service in the past. There is in all this a great sincerity. There also seems to be some little mystery as to my own case with her. I saw no sign of embarrassment or preoccupation. The Empress Frederick was outside in the corridor. She bade me a most kind and warm farewell, which I had done nothing to deserve.

Such was the parting of Queen Victoria and the most illustrious of her Ministers after fifty-three years' service. Her great sincerity "forbade unbending even at that moment. She did not give him her hand at parting; seeking for something she could truthfully acknowledge she could find nothing but "a service of no great merit" to her son the Duke of Coburg.

CHAPTER VI

THE ROSEBERY GOVERNMENT

1894-5

I

THOUGH his party was remaining in office, the Queen did not even go through the form of asking Mr. Gladstone's advice about his successor. It is probable that if he had been consulted he would have proposed Lord Spencer or Lord Kimberley, members of the old guard who were most in his tradition. But the Queen had no doubts; her mind was made up that when the moment came she would "send for" Rosebery, whom she considered to be the best of the bad lot who were temporarily in power; and by this time it was certain that, if the chance came to him, he would carry his colleagues with him. This in fact was one of the rare occasions on which the choice of the Sovereign was the decisive factor. Beyond question Sir William Harcourt, Chancellor of the Exchequer and leader in the House of Commons, had what Parliamentarians call the prior "claim," and if the Queen had "sent for" him, there was no reason which his colleagues could openly have avowed for declining to serve under him. He was a man of towering ability; he had done long service to the Party and the country, he had, in the eyes of the Radical wing of the Party, the great advantage of being in the House of Commons, whereas his rival would be a thing they greatly disliked and thought singularly inappropriate in these times—a peer Premier.

But Harcourt in his colleagues' eyes had great disabilities. Scarcely one of them had escaped castigation at his hands during the previous eighteen months. He was consumed with zeal for public economy, and he regarded them all and their various Departments as enemies

of the Exchequer. All had felt his shrewd wit and biting tongue either in Cabinet or in the minatory letters which he had addressed impartially to the oldest and most respected of them and to the most junior.¹ Being fundamentally good-humoured, he forgot these letters as soon as they were posted, but they remembered and nursed their wounds. What, they asked, if he were like this as Chancellor of the Exchequer, would he be like as Prime Minister? By "sending for" Rosebery, the Queen relieved them of the necessity of answering that question. She too had taken umbrage in these months, and had more than once found occasion to say that the robust partisanship with which her Chancellor of the Exchequer reported the proceedings of the House of Commons in his daily letters to the Sovereign was not to her taste.

2

His colleagues being of this mind, Rosebery had no difficulty in forming a Government, and Harcourt himself, after stipulating that he should be party to all proceedings of the Foreign Office, consented to serve under him as Chancellor of the Exchequer and leader in the Commons. Lord Kimberley, who was in sympathy with Rosebery on Foreign Affairs, became Foreign Secretary. All was well for the moment, but seeds of mischief were sown in these days which were to bear a thorny crop in subsequent years. Harcourt nursed his grievance: Morley, who had joined with his colleagues in preferring Rosebery, was deeply mortified when the new Prime Minister declined to make him Foreign Secretary, and left him, as before, Chief Secretary for Ireland. A powerful section of Radicals regarded the new combination as the triumph of the "Imperialism" which they most desired to keep under control in their party. The new Prime Minister soon gave his enemies a handle, for in his first speech as leader in the House of Lords, he stumbled heavily from the party point of view, by expressing his concurrence with Lord Salisbury's view that the "predominant partner," i.e. England, would need to be convinced of the justice of Home Rule before it could be carried into law. This was awkwardly near the truth, but it was greatly

¹ A selection of these letters will be found in A. G. Gardiner's "Life of Harcourt," which is one of the best records of these times.

resented by Liberals and Irish, who complained that the whole case against the Lords for rejecting Mr. Gladstone's Bill had been given away in one sentence by the Prime Minister. Seizing with gusto on the opportunity offered, Labouchere the next day moved an amendment to the Address in favour of the abolition of the veto of the House of Lords, and without realizing the difficulty in which they were placing the Government, Radicals and Irish carried this by a majority of two. Ministers had now to withdraw the Address and substitute a new one from the beginning. The Queen improved the occasion by a strong expression of her opinions.

It was an unhappy beginning, and Rosebery's critics were unsparing in their comments. Seldom did a glittering position carry with it so many drawbacks. In a few weeks in the year 1894 he had achieved what were commonly supposed to be his two youthful ambitions, winning the Derby and becoming Prime Minister, but the first of these triumphs earned little merit for a Liberal Prime Minister, and before many weeks were over he himself was declaring the second to be a bed of thorns. In truth all the honours of the subsequent twelve months were to fall to the leader in the House of Commons, whose Budget ran a victorious course, while the Prime Minister was involved in incessant conflicts behind the scenes, about foreign affairs with Harcourt, about the House of Lords question with the Queen, about the interminable small questions which arise when Ministers are in a state of friction. "I am nothing but a rubbish heap," he said in his haste one day. "When they have anything agreeable they keep it to themselves, when they have anything unpleasant they bring it and dump it on me." This worry and friction working on a sensitive temperament broke his nerve and undermined his health. At the end he vowed that he would never be Prime Minister again except on his own terms—which were never to be conceded.

Harcourt's Budget, making Probate Duty applicable to real estate and settled property, adding a penny to the income-tax with allowances for incomes under £500 a year, and 6*d.* a gallon on spirits, and 6*d.* a barrel on beer, may well seem merciful by the standards of later times, but it raised an uproar at the time, and the Prime Minister himself was only a reluctant convert to it. The estimated

yield from the new death-duties was at the time only £4,000,000, but it promised much more in the future, and worst of all it was "democratic finance" which broke new ground and conjured up alarming visions of ruin falling on great houses, estates impoverished and their owners reduced to bankruptcy. In future years Chancellors of the Exchequer of all parties were to consider this tax one of their mainstays, but at the time the Opposition fought every inch of the ground, and gave Harcourt an admirable opportunity of displaying his gladiatorial abilities. The ground was none too sure, for the Government majority wavered between twenty and forty, and the Irish were still divided among themselves, and some of them by no means friendly to the beer and spirit taxes. The theory still held that the House of Lords must keep its hands off a Budget, but the Opposition reached the point—till then unprecedented—of moving the rejection of this one in the Commons. It was carried on its third reading by the full Government majority, and the Chancellor of the Exchequer went in triumph to his constituents at Derby where he received an immense ovation.

At the end of the session he reported to the Queen that in addition to the Budget no fewer than 33 Government Bills and 20 private members' Bills had been passed into law. Most of them were "uncontentious," but some, like the equalization of rates between the poorer and richer London boroughs, remedied long-standing grievances, and others mended holes and gaps in the law which most Parliaments are content to pass on to their successors. Seldom was there such zeal, industry, and discipline among legislators. All through the session of 1894 faithful supporters of the Government almost camped in the House lest its precarious majority might fail at some critical moment.

3

Foreign affairs continued to give trouble, and Harcourt's complaints that he was not consulted were loud and deep. Nicaragua had to be punished for the ill-treatment of British subjects and American susceptibilities remembered. In that Rosebery and his foreign secretary, Kimberley, proved more skilful than Salisbury in the affair of Venezuela a few months later. Uganda was a perennial subject :

opponents of the forward policy resisted every step, until, in April, 1895, they were finally worn down and the Protectorate established and the railway from the coast put in hand. There remained the question of the Upper Nile, which Kimberley endeavoured to shelve by giving a long lease to the King of the Belgians which would have kept the greater Powers at a distance. That brought instant protests from France and Germany, whose joint pressure compelled King Leopold to cancel the proposed agreement. But Rosebery was more than ever determined that no great Power should invade the region of the Upper Nile, and he declared in a public speech that "the Nile was Egypt and Egypt was the Nile"—an intimation from the Power in occupation in Egypt which gave little pleasure in either Berlin or Paris. Further emphasis was given to this declaration by a definition of British policy on March 28, 1895, when in the course of a debate on alleged French encroachments on the Niger, Sir Edward Grey, then Under-Secretary for Foreign Affairs, categorically placed the entire Nile Valley within the British and Egyptian spheres of influence, and said that any French advance under secret instructions into a territory in which our claims were known would be "an unfriendly act." Harcourt wrote to Kimberley that he had listened "with infinite surprise and regret" to this declaration and angrily maintained that it had not been authorized by the Cabinet. He was positive that the French had no such intentions as were imputed to them, and complained bitterly that Rosebery and Kimberley were making unnecessary trouble with France.

Harcourt was wrong about the innocence of the French, as was to be proved three years later. They had not abandoned their hope of penetrating to the Nile Valley, and were only to do so when the reconquest of the Sudan had been effected. The quarrel between Prime Minister and Chancellor of the Exchequer was with difficulty patched up. The correspondence between the two men printed in Gardiner's "Life of Harcourt," remains one of the principal sources of reference for the student of that perennially acute subject, the control of Foreign affairs by Cabinets and Parliament. Harcourt, as leader of the House of Commons, put in the quite reasonable request that all answers on important questions of Foreign policy should be submitted to him before being given in the House of Commons,

but answers to questions covered only a small part of the ground. Prompt action by the Foreign Secretary before it is possible to summon a Cabinet is often a necessity, and he must take it even if he risks his official life in doing so. His recourse on these occasions is to the Prime Minister and a few intimate colleagues who may be within reach, which has in effect meant that all the large Cabinets of modern times have entrusted Foreign Affairs to an inner Cabinet.

Harcourt's differences with Rosebery went far beyond these details. He believed Great Britain to be a sated Power, staggering under "the too great orb of her fate," and looked with disfavour upon all proposals to add to her territory in Asia and Africa, and especially those which might involve her in trouble with European Powers. Rosebery saw the existing Empire seriously threatened, unless she was prepared to hold her own in active competition with the new modern Powers. These were coming into the field with schemes and projects which, if not checked in time would, in his opinion, lead to the very collisions which the little-Englanders wished to avoid. Harcourt had little interest in the intricate games which were being played between the Powers in Europe; Rosebery, who had been intimate with Bismarck and his sons, followed every move with fascinated attention. Harcourt brought to bear a "robust common sense," which dismissed as rumour and bogey events and tendencies which Rosebery viewed with serious alarm. Friction was inevitable between men of these different temperaments, and in the controversies which followed it was the play of temperament, quite as much as dissensions on particular facts and policies, which sent men different ways.

4

There was further trouble among Liberal leaders in February, 1895, when Parliament met for the new session. This time Rosebery took the high line and threatened to resign, on the ground that he was not sufficiently supported or defended by his colleagues. The crisis was acute for two days, but Rosebery was appeased by promises and assurances from his colleagues and consented to go on. The Parliamentary situation was now more precarious than ever, since the Parnellite group under John Redmond had to be counted as

hostile and some seats had been lost at by-elections. In the debate on the Address the Government majority fell to eight, and could scarcely ever be relied upon to rise above twenty. The Government, nevertheless, put a bold face on it and once more proceeded with a highly contentious programme which included an Irish Land Bill, a Welsh Disestablishment Bill, and, in spite of previous rebuffs, another Local Option Bill. The last was Harcourt's special contribution, and he insisted on it in the teeth of party managers and whips, who after their previous experience despaired of uniting Temperance reformers, and saw only increased trouble for the party in raising the question of the working man and his beer when an election was in sight.

The Opposition jeered at this continued "ploughing of the sands," and made no secret of their intention to dispose of all these measures, if they should get to the House of Lords. None of them did get so far. The Government had one great field-night at the opening of the session (Feb. 21) when Mr. Henry Fowler, the Secretary for India, in a long-remembered speech, defended the right of the Government of India to impose duties on imports of cotton manufacture and yarn into India, and secured the Government the unaccustomed luxury of a big majority (304 to 109). The duties were displeasing to Lancashire and not very palatable to British free-traders, but the debate raised the fundamental question of the relations of the Imperial Government with the Government of India, and the general verdict was that Fowler's argument was unanswerable.

But on most other subjects the Government was soon in deep waters. In spite of the patch-up in February, the troubles of the leaders continued and were becoming notorious. Aggrieved persons like Labouchere were sniping at the Prime Minister, and watching for opportunities to do him mischief. The Welsh members were restive at what they considered to be the too moderate proposals of the Welsh Church Bill, and demanding amendments which Ministers were unwilling to grant. Mr. Gladstone, always an uncertain quantity on ecclesiastical questions, dealt a blow from his retirement by "withdrawing his pair" on the Welsh Bill and intimating that he had an open mind on that subject. The election for a new Speaker presented a singularly awkward question. To the surprise of his colleagues, Campbell-Bannerman, the future Prime Minister, then

Secretary for War, intimated that he would like the place, and was not a little aggrieved when they objected. The Government next proposed Mr. W. L. Courtney, a leading Unionist and former Chairman of Committees, but his party took such objection to the appointment of that very upright, if rather austere man, that he felt obliged to decline. For several weeks it seemed as if it would be impossible to discover a Speaker who would be acceptable to the House. In the end a Liberal lawyer, Mr. Gully, was elected on a strictly party vote against a Conservative opponent by a majority of 14.

The great majority of the rank and file on the ministerial side were still faithful, and day after day they remained on guard from prayer-time till the House rose to stave off defeat. But by this time the Government was at the mercy of any accident, and on June 20 the end came on a snap vote on the provision for cordite in the Army estimates. It was a trivial affair and Campbell-Bannerman, who was inferentially censured, was one of the most popular and efficient of Ministers. On that very same day he had carried through the delicate task of removing from his post as Commander-in-Chief of the Army the aged Duke of Cambridge, who for many years past had been a conscientious and immovable opponent of Army Reform. What is more, he had so contrived this business as to win the approval of the Queen and retain the friendship of the duke : and he was receiving the congratulations of all parties when he too was removed from his post. His colleagues sympathized, but saw in the incident a way of escape for themselves from their accumulating troubles, and within twenty-four hours had joined their resignations to his. The Whips had in fact warned them that even if they ignored the cordite vote, defeat almost certainly awaited them on the Welsh Disestablishment Bill the following week.

When Mr. Gladstone formed his fourth Administration in August, 1892, very few believed that it would last more than a few months. Its principal task—the attempt to set up a Parliament in Dublin—was foredoomed to failure, and for anything else it was dependent on the support of the Irish members, who were distracted by an internal feud and unlikely to be zealous about British reform when their own hopes were disappointed. The Parliament nevertheless remained alive and active for three years, and in that time broke

more new ground than many Governments which had lived twice the time. Looking back we may mark it in the historical calendar as the Parliament of the transition between the old Liberalism, which had cleared this ground of inequality and privilege, and the new, which was reaching out to constructive reform. Nonconformists and Temperance advocates were still the backbone of the Liberal party, but zealous social reformers had appeared on the scene, and from this time forward were to have increasing influence. Above all this Parliament set the lists for the struggle between Lords and Commons which, though held up in the subsequent years was, in Mr Gladstone's phrase, to "go on to its issue" eighteen years later. It was now clear that whatever might be the right solution of the Second Chamber question, a Second Chamber composed almost entirely of one party, and at the disposal of that party to destroy the measures of the other could not in the long run be reconciled with the working of the party system. When the Liberal party went out of power in 1895, it was with a foreknowledge that, when it next came in, it would be compelled to face the House of Lords question, or be content to exist on the sufferance of its opponents. In fact, the Parliament of 1906 was to pick up the question of the House of Lords exactly at the point at which the Parliament of 1892 had left it.

CHAPTER VII

SALISBURY'S THIRD GOVERNMENT

1895

I

ON June 25, 1895, Lord Salisbury was summoned to Windsor and received the Queen's command to form the new Government. This time the Liberal Unionists were brought in, Hartington, now Duke of Devonshire, becoming Lord President of the Council and Chamberlain Colonial Secretary.¹ On his first appearance as Prime Minister in the House of Lords, Salisbury said he had no policy but "dissolution," and Parliament was dissolved a fortnight later.

The election was disaster all the way for the Liberal party, and the new Government came back with a majority of 152 over all parties. Many causes contributed to this result. The Liberals had lost the immense asset of Mr. Gladstone's leadership, and his successors had made it only too clear in the few weeks before the polling that they had neither a common policy nor even a common strategy. Rosebery placed the House of Lords question before the country as the paramount issue embracing all else. Morley flew the green flag and pleaded eloquently for Home Rule as having the prior

¹ In the course of the Ministerial changes Lord Salisbury sent his private secretary to Campbell-Bannerman to ask him to deliver up his seals, in order, as he explained afterwards, "to save him the trouble of a journey to Windsor," but in reality, as was suspected at the time, to prevent him from appointing a new Commander-in-Chief before the new Government came in. Campbell-Bannerman had no such intention, and the Queen was greatly annoyed at a departure from precedent, which she thought uncivil to the outgoing Minister and disrespectful to herself.

claim ; Harcourt concentrated on Local Option as the most urgent of Liberal and social reforms.

The electors were mystified and confused, and discussions among the Liberal leaders which had hitherto only been whispered became common talk. The Welsh Church Bill turned the clergy, and Local Option the brewers into active campaigners against the late Government. If there was not a "beer and Bible" combination, as the Liberals asserted, the two forces worked formidably on parallel lines to the same end. In spite of the ovation which his constituents had given him in the previous year, Harcourt's zeal for local option cost him his seat at Derby, and he had to find his footing in the new Parliament as member for South Monmouthshire. The same fate befell Morley at Newcastle, and he returned later as member for the Scottish borough of Montrose. The "Celtic fringes" thus became the refuge of the most eminent Liberals.

On the other side the imperialist tide was running strongly, and in this the gold discoveries in the Transvaal and the fever of speculation which had followed it played a considerable part. To prevent the "little-Englanders" from destroying this new Imperial wealth, and to place in power men who could be trusted to uphold the prestige and interests of the Empire were said to be patriotic necessities. London, the "heart of the Empire," swung violently against the Liberal party ; large numbers of the English seemed to be bored and exhausted by the reforming zeal of earnest Liberals and Non-conformists, and to be looking eagerly for expansion and adventure.

Outwardly the Liberal leaders kept the stoic demeanour expected of politicians in defeat and announced their intention of continuing inflexibly on the same course as before. But the scene behind the scenes was one of confusion and bitterness which was barely saved from becoming open scandal. Rosebery intimated that he would have no further official dealings with Harcourt, and for the next eighteen months, until he formally resigned his leadership, communications between the two men had to be through third parties. There were many who said in these days that between its internal dissensions and its unpopularity in the country, the Liberal party was broken beyond repair. It was nevertheless true that the enormous change which had substituted a Unionist majority of 152 for a Liberal

majority of 40 had been effected by a turnover of less than a quarter of a million votes in an electorate of 6,333,000, and that the Unionist majority in seats was out of all proportion to its majority in votes. In these days of limited franchise, the vast majority of voters remained true to their party allegiance in all circumstances, and a small minority of waverers and balancers decided the result.

2

On August 6, 1895, Mr. Gladstone came out of his retirement to attend a meeting of protest held at Chester, with the Duke of Westminster in the chair, against the Turkish massacres of Armenians, which were now deeply stirring British humanitarian opinion. He spoke with his old fire and fervour on the subject which was now nearest his thoughts, and a few days later Salisbury, who was again Foreign Secretary as well as Prime Minister, said scarcely less in his first speech after the elections in the House of Lords. The Turkish Sultan, Abdul Hamid, professed to be deeply pained, and when later in the year Salisbury spoke in the same terms in his Guildhall speech, he addressed him a letter protesting that he was doing his utmost to execute reforms and that he had given instructions to his Ministers which would be strictly carried out. Whatever the instructions were, they did not abate the massacres, which continued with every circumstance of cruelty and ferocity until they culminated in August of the following year in Constantinople itself, where between 6,000 and 7,000 Armenians were slaughtered in two days.

Salisbury's view, when it came to action, was that nothing could be done by Great Britain single-handed. All the great Powers had an interest in what was called "the integrity of the Ottoman Empire"; most of them, and especially at this time Germany, had political or commercial projects for which the favour of the Sultan was essential; none of them regarded the fate of the Armenians as ranking in importance with the advancement of these projects, or worth the risk of the struggle which threatened if the Turkish Empire fell to pieces, and the many expectant heirs entered their claims to the succession. This was "real politics" as understood in Europe, and however they might differ on other points, Russia, Germany, Austria and France were agreed that the explosion of British sentiment about Armenian

massacres was untimely and dangerous. Mr. Gladstone they recognized as an old offender on this subject, but it was a disappointment to them that Salisbury, the former colleague of Lord Beaconsfield, should now be echoing Mr. Gladstone's denunciations.

A dispatch from the German Ambassador to his Government, which is published among the German records,¹ lifts the curtain on the proceedings of the Council of Ambassadors who were endeavouring to carry out the instructions of their Governments at Constantinople at this time. Day by day the British Ambassador, Sir Philip Currie, pleaded that "the miscreant who had already slaughtered 10,000 of his subjects and was not yet sated must be rendered innocuous for reasons of general humanity." The others listened impatiently to this appeal. All had instructions to support the Sultan against any untimely pressure. Russia and Germany led; France, with some reluctance, was obliged to follow Russia. None of them believed that England would act alone. So the "endless misery," as Sir Philip called it, went on and "that subtle observer, the Sultan," continued to play the European Powers off one against another, until finally the decay of his Empire involved most of them in its ruin.

Salisbury spoke prophetically on that subject in a speech to the Nonconformist Unionist Association at the end of January, 1896. "Supposing the Sultan will not give these reforms, what is to follow? The first answer I should give is, that above all treaties and above all combinations of external Powers, the nature of things, if you please, or the Providence of God, if you are pleased to put it so, has determined that persistent and constant misgovernment must lead the Government which follows it to its doom; and while I readily admit that it is quite possible for the Sultan of Turkey, if he will, to govern all his subjects with justice and in peace, he is not exempt more than any potentate from the law that injustice will bring the highest on earth to ruin." Consigning "Abdul the Damned" to the judgment of divine Providence was cold comfort for the Armenians and their sympathizers, and many judged it to be too easy a way out for a Minister who was supposed to be the embodiment of the British will.

¹ G.P., Vol. X, No. 2479.

In these days the usual rôles of militarist and pacifist were curiously inverted. The advocates of a spirited foreign policy were all for peace and prudence ; the pacifists and little-Englanders were prepared to take any risk to abate the savage tyranny of the Turk. The *Liberal Westminster Gazette* observed that there was no peace at any price party, only different parties which disapproved of each other's wars. In October, after the Constantinople massacres, Mr. Gladstone made a final appeal for the Armenians in what proved to be the last of his public speeches, but this had only the unexpected effect of precipitating the resignation of Rosebery from the leadership of the Liberal party. Rosebery had many other reasons, but it seemed to him the last straw that the illustrious retired leader should be advocating a policy which the late Liberal Government when in office had declined as too dangerous.

3

The Salisbury Government was by this time in a sea of other troubles which forbade its playing a lone hand in the Near-East. In December, 1895, there had flared up suddenly a serious crisis with the United States on a seemingly trivial dispute about the boundary between Venezuela and British Guiana. In the previous April the Venezuelan authorities had arrested two British inspectors of police, on the ground that they were exercising their functions outside the British boundary, but had released them on the remonstrance of the British Government. Expecting a demand for an indemnity the Venezuelans appealed to Washington and succeeded in persuading President Cleveland that Great Britain was throwing a challenge to the Monroe doctrine, and questioning the prerogatives of the United States. The President thereupon sent a peremptory dispatch to the British Government reminding them of the Monroe doctrine, and demanding that the affair be submitted to arbitration. Salisbury, who always had great difficulty in understanding the American doctrine, was unfeignedly astonished, and in his reply declining this proposal reminded the American Secretary of State that the British colony was in existence long before the famous doctrine was heard of. To this the President retorted with a message to Congress which was little, if at all, short of an ultimatum. "It will in my opinion,"

he said, "be the duty of the United States to resist by every means in its power as a wilful aggression upon its right and interests the appropriation of Great Britain of any lands, or the exercise of Governmental jurisdiction over any territory which after investigation we have determined of right belongs to Venezuela. In making these recommendations I am keenly alive to the responsibility incurred and keenly realize all the consequences that may follow."

Such language, if addressed by one European Power to another, would have been regarded as bringing both to the brink of war, but there was a theory in these days that Americans were unversed in the language of diplomacy, and large numbers on both sides were keenly alive to the absurdity of two great and friendly nations being involved in war on so trivial and remote a dispute. Chamberlain, who was married to an American lady, and who had a good instinct for the American point of view, especially abounded in this sense. After a little reflection both Governments moderated their language, and Lord Salisbury was induced to say in the House of Lords that the Americans had "the same sort of interest in the Caribbean Sea as we had in the Channel ports of Belgium and the Netherlands." Remote as this was from the real American meaning, it eased the tension, and in the end Salisbury consented to arbitration. The affair dragged on until the year 1899 when the Court of Arbitration, sitting in Paris, settled it amicably and awarded a moderate indemnity to the British inspectors.

On the whole this incident turned out not so badly for British-American relations. For a few weeks at the beginning there was great excitement, and zealous patriots on both sides urged their Governments to stand firm. But as it went forward, an unexpectedly strong body of opinion appeared in both which pronounced a war on such an issue between "two kindred peoples" to be criminal and unthinkable; and the discovery of this had a steadying effect on the Governments of both. The foreign judgment was that Salisbury had suffered a serious reverse at the hands of the Americans, but the overwhelming British opinion was that he had acted wisely; and in the war with Spain, which followed three years later, British sympathies were generally on the side of the United States.

CHAPTER VIII

THE JAMESON RAID

1895-6

I

THERE is no incident in British history which from comparatively small beginnings had larger and more lasting results than the Jameson Raid which took place on December 31, 1895. Not only the British position in South Africa, but the relations of Great Britain with her neighbours in Europe were to be profoundly influenced before the events which it set in motion were exhausted.

A glance backwards is necessary to explain the situation in South Africa at the end of 1895. For some time after the retrocession of the Transvaal in 1881 it had been tacitly assumed that the north of the sub-continent would fall to the Boers and the south to the British. But from the beginning of his career, Cecil Rhodes, the greatest of the South African British pioneers, had cherished the dream of a union of South Africa from the Cape to the Zambesi under the British flag ; and from 1890 onwards a veiled conflict had been going on between him and Kruger, the President of the Transvaal, who held stubbornly to the cause of Boer independence and ascendancy in the north. So far Rhodes had conducted this business with great skill and foresight, and up to 1895 he had won, and Kruger had lost, almost every point in the game. The Chartered Company of South Africa had now a firm hold over the north ; the Imperial Government had annexed Bechuanaland and by an understanding with Portugal cut the Boers off from the sea on the east ; the Stellaland Raid, the Limpopo Trek and other forlorn efforts of the Transvaal Boers to break out of the circle which was being drawn about them had been headed off and turned back. Rhodes was a resolute man with few

scruples in pursuing projects upon which he had set his heart, but he had immense influence all through South Africa, and it was not the least of his achievements that he had carried this policy through at the very time when, as Prime Minister of the Cape, he had sought and obtained the support of the Cape Dutch. British and Dutch co-operation was supposed to be the corner-stone of his policy.

But there was one stubborn question which defied all his arts. Following the discovery of gold on the Rand, a large miscellaneous population of all races had flocked into the Transvaal, and threatened to swamp the resident Boers. Kruger, the old President of the Transvaal, whose character was a dangerous blend of political shrewdness, fervent patriotism and evangelical piety, was very willing that his country should be enriched by the exploitation of this new wealth, but very unwilling that the foreigners or "Uitlanders"—to give them their Dutch name—should encroach upon its Government. The old burghers were 15,000 in number; the new-comers rapidly mounted up to 60,000. It was at best a difficult situation requiring great patience and forbearance for its wise handling, and these were not qualities in which either side excelled. The Uitlanders were soon complaining that the Kruger régime was vexatious and oppressive, and Kruger retorting that they were aggressive and seditious. When Lord Loch, then Governor of the Cape, visited Pretoria in 1894 to pay his respects to the President, he was the subject of an embarrassing demonstration of Uitlanders which greatly angered his host and started him on the business of arming against them that so greatly complicated the situation in after years.

These events were keenly watched by at least one highly interested spectator in Europe, the German Kaiser, who showed signs of appointing himself to the position of Protector of the Boers. His birthday was celebrated by a banquet at the German Club in Pretoria in January, 1895, and Kruger, who was the guest of the evening, spoke of Germany as a "grown-up Power that would stop England from kicking the child Republic." This gave great offence to Lord Kimberley, the Foreign Secretary in Rosebery's Government, and he instructed the British Ambassador in Berlin to enter a remonstrance against the German encouragement of Boer agitation which he detected on this occasion. There followed a sharp altercation which was renewed

when the Ambassador was taking leave of the German Foreign Secretary on quitting Berlin in the following October. The Kaiser asserted afterwards that the Ambassador "had gone so far as to mention the astounding word 'war'—that for a few square miles of niggers and palm trees, England had threatened her one true friend, the German Emperor, grandson of Her Majesty the Queen of Great Britain and Ireland, with war."¹

2

That a rising of some kind was possible on the Rand had been recognized since the beginning of 1894. Kimberley, who was then Colonial Secretary, had instructed the High Commissioner that if it took place he should proceed to Johannesburg with an offer of arbitration, and had promised to provide him with 10,000 British troops, a promise which showed a reasonable estimate of the situation with which he would have to deal. But in the following year the Uitlanders seem to have persuaded themselves that they could effect a "bloodless revolution" by a demonstration in Johannesburg aided by an incursion of a small body of Chartered Company's troopers, and Rhodes accordingly obtained permission from the Colonial Office to bring Dr. Jameson and 500 troopers from the north to Pitsani on the Bechuanaland border overlooking the Transvaal. The official explanation of this move was that it was part of an arrangement between the Chartered Company and the Colonial Office for the policing of Bechuanaland, but Rhodes's intention was, beyond all doubt, to use this force on a signal from the Uitlanders to aid and abet their revolution and compel the submission of Kruger.

But rich men of mixed races and nationalities are not skilful at revolutions, and by December, 1895, almost everything had gone wrong. The conspirators were unable to agree upon any definite plan to follow their uprising, or to keep their intentions to themselves. Some wanted the British flag to be hoisted as soon as the Boer flag was hauled down, others wanted an independent Republic, very few had seriously thought of lining barricades or facing Boer rifles, if the revolution proved not to be bloodless. Kruger, who appears to have been well informed about their proceedings, took steps to see

¹ G. P., Vol. XI, No. 2579.

that his burghers were well supplied with rifles. By the middle of December the situation was so confused and the Uitlanders were so little prepared for any serious effort that Rhodes, the chief instigator of the plan, came to the conclusion, according to his own subsequent account, that any overt action must be postponed.

But in the meantime Dr. Jameson was waiting on the Bechuana-land border for the signal which never came, and on the last day of December he rushed in uninvited. He appears to have supposed that by acting on his own initiative he would bring the Uitlanders to the sticking point, and he seems to have had no doubt that he would be equal to the Boers. It was a hare-brained enterprise which completely miscalculated both the strength of the Boers and the fighting qualities of the Uitlanders. In the event he and his troopers were easily intercepted by the Boers at Krugersdorp near Johannesburg; and after a running fight in which they suffered some casualties they were starved out and surrendered on a guarantee that their lives would be spared. On hearing that he had started, Chamberlain sent Jameson a peremptory order to return, but it was too late to stop him. The Uitlanders in the meantime had remained at home, and it was evident that Jameson's proceedings had placed them in a very dangerous position.

3

The British people who knew nothing of what had been going on in the Transvaal were greatly astonished and mortified. The incursion into Boer territory was wholly indefensible, and it made matters worse that it should have been so egregiously bungled. Mr. Alfred Austin, the newly-appointed poet-laureate, improved the occasion by suggesting that the Raid was a gallant effort to rescue women and children in Johannesburg in peril from the Boers—"There are girls in the gold-refined city and women and children too"—but his effort raised more smiles than tears. There was evidently no danger to women and children, and a letter which was supposed to convey the appeal for aid turned out to have been concocted a month earlier and falsely dated to fit in with the Raid. The Boers acted with generosity in releasing Dr. Jameson and his companions and handing them over for trial to the Imperial authorities.

Unfortunately they wiped out the credit which they might have reaped from this act of leniency by proceeding with rigour against the Johannesburg leaders, four of whom they actually sentenced to death, though the sentence was immediately commuted to imprisonment and heavy fines.

4

Once more the German Emperor saw his opportunity, and he acted with his accustomed impetuosity. As soon as the news reached Berlin that Jameson had crossed the border and before his fate was known, the German Foreign Secretary telegraphed to Count Hatzfeldt, the German Ambassador in London :

His Majesty the Emperor instructs you to ask at once in the proper official quarter whether the British Government approves the crossing of the frontier of the Transvaal State by the Chartered Company's troops.

If you have the impression that this infraction of International law is approved, you will ask for your passports.

If this inroad into the Transvaal is disapproved, you will ask by what means the British Government intends to repair the breach of law.

Salisbury was of course in a position to assure the Ambassador that the British Government wholly disapproved of the Raid, and Count Hatzfeldt had the good sense to keep this dispatch in his pocket and "spoke no word to Lord Salisbury which could be construed as a threat." Another menacing communication followed hard on this one, but was recalled by telegram from Berlin before it was delivered.¹ The public knew nothing of all this, but on January 3 there was published to all the world a message which the Kaiser had sent to President Kruger : ²

¹ This is printed in the German Documents (XI, No. 2600). "In obedience to instructions given to me I have to declare that the Imperial Government protests against this action and is not minded to accept any alteration in the legal position of the South African Republic, as secured by Treaty."

² In his "Memoirs" the ex-Kaiser is at pains to prove that he was over-persuaded by his advisers into signing this telegram. Ludwig ("Kaiser Wilhelm," pp. 172-6) represents him on the contrary as having with difficulty been restrained from making an even stronger demonstration. Judging by his conduct in the previous year, the latter is the more probable version.

I express my sincere congratulations that, supported by your people, without appealing for the help of friendly Powers, you have succeeded by your own energetic action against armed bands which invaded your country as disturbers of the peace, and have thus been enabled to restore peace and safeguard the independence of the country against attacks from outside.

An explosion followed which changed the whole situation. Mortification at the Raid was now turned to wrath against the Kaiser, who had thus gratuitously plunged into what Englishmen regarded as a domestic quarrel between themselves and the Boers. Rhodes and his friends had long been hinting at German intrigues in the Transvaal and the necessity of getting in advance of them. It was now said that they were well justified, and that the Boer President stood revealed in his true colours as the intimate of the German Kaiser and engaged with him in a conspiracy to overthrow British supremacy in South Africa. Self-respect was restored and the Government mobilized a naval flying squadron.

5

The situation, nevertheless, was one of extreme delicacy and difficulty. In South Africa Cecil Rhodes had been compelled to resign the Prime Ministership of Cape Colony, and his life-long policy of co-operation between British and Dutch had been shattered at a blow. There were now all the elements of a bitter race conflict which were very likely to issue in war, unless the British Government did strict justice and cleared itself of all complicity in either conspiracy or Raid. There was also the danger of serious complications in Europe threatening the relations of Great Britain with Germany, the Power with whom it was still her policy to work in close touch for all European purposes. On the eve of the assembling of Parliament in January, 1896, Chamberlain, the Colonial Secretary, published a dispatch addressed to Sir Hercules Robinson, the High Commissioner for South Africa, in which he denied all knowledge of the Raid, but defended the agitation of the Uitlanders as legitimate and constitutional, proposed a scheme of reforms to the Boer Government, and asserted that the British Government possessed rights over the external relations of that Government which it intended to "maintain in their integrity." This chimed in with the popular mood, but the quieter opinion was that

the moment was ill-chosen for raising the thorny question of British suzerainty over the Transvaal, and still more for suggesting to the Boers that they should make large concessions to the people who had just been caught out in a conspiracy against their government. A further difficulty was that Rhodes and Jameson were now on the way to become heroes of London society and the London crowd. When Jameson and his associates were brought over to London to be tried under the Foreign Enlistment Act, they were received with wild enthusiasm, and on their being sentenced to moderate terms of imprisonment, sympathy with them was loudly expressed and frantic efforts were made to obtain a reduction of their sentences.

All this made bad worse, but the situation might still have been retrieved if Rhodes had played the part which as a patriot and imperialist might have been expected of him at such a moment. Revolution and Raid were of his planning; it was he who had persuaded Chamberlain to allow Jameson to come with his troopers to the Bechuanaland border, he who was responsible for the fantastic miscalculation of the Boer power, and for the gross mismanagement of the Uitlanders' movement. It was plainly his duty to take the blame on himself and to do everything in his power to prevent suspicion falling on the Imperial Government. His action was far otherwise. To save the Charter of the South African Company, to escape the pains and penalties, personal and material, which the public interest required, and for that purpose to put pressure on the Colonial Secretary and the Imperial Government appears now to have been his one thought.

Mr. Garvin's brilliant and skilful narrative of these months in the third volume of his "Life" of Chamberlain raises fascinating psychological problems, but a rising indignation at the conduct of Rhodes, as there described, must surely be the chief emotion of those who read it. The facts are now sufficiently clear. Chamberlain, new to office and believing in the infallibility of Rhodes, had in various ways facilitated the Rhodes-Jameson scheme. Plainly, as he admitted to Miss Flora Shaw, he was aware of the use which it had been intended to make of Jameson's troopers, though not, of course, of the use which Jameson actually made of it.¹ He had also been unwise enough to

¹ It was Rhodes's case that he too was unaware. Jameson, he said, "had upset his apple-cart."

permit advice to be given from the Colonial Office to the London agents of the conspirators, and rashest of all, towards the end of September, his officials had, with his knowledge, given them a strong hint that their projected coup should come quickly or be postponed indefinitely, since in the coming year the Imperial Government was likely to have its hands too full to give attention to their affairs. This gave Rhodes a special excuse for saying that by hustling him at an inconvenient moment, Chamberlain had contributed to the fiasco :¹ and in fact his wrath had overflowed when Chamberlain telegraphed to warn him that if Dr. Jameson broke loose with his troopers, the Charter of the South African Company would be in danger.² From that moment he appears to have vowed that if he went down Chamberlain should go down too.

¹ On December 12 Miss Flora Shaw, after an interview at the Colonial Office, cabled to Rhodes "delay dangerous, sympathy now complete." On December 20 Rochefort Maguire cabled to Lionel Phillips, "urging instant flotation new Company," i.e. that the revolution should take place immediately. Upon this, Rhodes and Beit sent the word to Johannesburg, but with highly disconcerting results. Anxious emissaries immediately started for Groote Schuur, Rhodes's residence in Cape Town, and on their arrival reported confusion in the ranks of the Uitlanders and a great reluctance among some of them to being brought under British rule. Rhodes, in very doubtful conformity with his promises to Chamberlain, gave them "perfectly satisfactory assurances that the Union Jack would not be forced upon them," but they nevertheless informed him that the original plan was abandoned. On Saturday, December 28, Rhodes told Graham Bower, the Imperial Secretary, that "the revolution had fizzled out like a damp squib." Dr. Jameson seems to have supposed that he could bring the Uitlanders to the point and dispose of Kruger by one and the same stroke.

Fairfield, Chamberlain's secretary said that in talking to Rochefort Maguire he had used every argument possible to procure postponement, but admitted that at the end of the argument he did say that, "if an Uitlanders outbreak was inevitable, the sooner it came the better." This seems to have been interpreted as "now or never."

² This telegram arrived too late. It appears to have been sent on a hint from Hawksley, the Chartered Company's solicitor, that "in spite of the breakdown of the revolution, Rhodes might be driven into an attitude of frenzy and unreason and order Dr. Jameson to go in with the Company's

He came to London at the beginning of February and opened his campaign by instructing his solicitor to call at the Colonial Office and give warning there of the existence of compromising documents, but without producing them. At this point Chamberlain appears to have lost his nerve. The instant and proper retort would have been to refuse any communication whatever with Rhodes or any of his agents, except after an absolute undertaking that they would make no use of any confidential communications that had passed from the Colonial Office to them. Though Rhodes might, as his solicitor put it, be liable to attacks of "frenzy" and "unreason," it was extremely improbable that he would ruin himself by gratuitous disclosures with the evident object of hurting the Colonial Secretary and damaging the Imperial Government. In any case if there was a risk, it was one which in the circumstances ought to have been taken. Instead Chamberlain stifled whatever resentment he may have felt, and when Rhodes came to the Colonial Office a day or two later he received him amicably and accorded him an interview which Lord Selborne, who witnessed it, described as "most satisfactory." The transition from the solicitor's call to the "satisfactory interview" provides one of the sharp shocks which a reader occasionally gets from a statesman's biography.

From the moment of this "satisfactory" interview Chamberlain was in the toils, and his assailants gave him no peace. Rhodes now took the high line. When he had first come to London he had said he had come to "face the music," and it was expected that after making a confession and explanation to the shareholders of the Chartered Company he would resign his position as chairman. Instead of meeting the shareholders he returned to South Africa, attached himself to an expedition which was being undertaken against the Matabele, and cabled home "let resignation wait, we fight the police and manipulate a revolution"—a mysterious intimation which suggests that Jameson's intentions were known in London, though, if we are to believe Rhodes, they were unknown to him. I may add that I myself learnt from a London source on December 30, that Jameson would be on the march the next day.

Matebele to-morrow." His shareholders re-elected him, and while he remained in South Africa, his agents stood on guard in London, keeping the Colonial Office reminded of the compromising documents and giving cautious hints to the Press of what they might reveal. At times Chamberlain launched out against them in private, speaking of "blackguards" and "blackmail," but in public he spoke civilly and smoothly of Rhodes, praised his great services to the Empire and looked forward to the great services he would still render.

7

In the course of the year 1896 the Cape Parliament held an inquiry of its own and presented a report. This found that Rhodes had been in a position to know all about the Johannesburg conspiracy; that he and Mr. Beit were with Dr. Jameson and Dr. Rutherford Harris active promoters and moving spirits in it: that the Chartered Company found the funds for it, and that though there was no evidence that Rhodes contemplated that Jameson's force should invade the Transvaal uninvited, he directed and controlled the organization which made that invasion possible. The Committee also found that the "letter of invitation" alleging the urgent need of help for the "thousands of unarmed men, women and children," said to be at the mercy of "well-armed Boers," had been obtained a month before the ostensible date of signature.

In effect this confirmed Rhodes's version of the affair. Jameson, in his homely phrase, had "upset the apple-cart" by starting uninvited, and to that extent the responsibility was his and his alone. But Rhodes and the Chartered Company were up to their necks in the conspiracy; and the Raid at an appointed time, though not at the moment chosen by Jameson, was part of their plan. The Cape Committee confined itself to the South African part of the story, and expressed no opinion about the part that concerned the Imperial Government.

There followed the promised inquiry by the House of Commons Committee which met in February, 1897, and sat for the greater part of the session. It was the sensation of the hour and overshadowed all else for the time being. The public watched with bewilderment what seemed to be an obscure duel between Rhodes and Chamberlain

rather than a judicial inquiry. Rhodes and his supporters let it be known that their agents had been in constant communication with the Colonial Office before the Raid and had sent a series of telegrams to their Chief in South Africa, suggesting that the Imperial Government was behind them and that he had used these to "support his action." But they refused to produce these telegrams, and no steps were taken to compel them. When the Cable Company produced some, the principal witnesses were not called for cross-examination upon them, and others offered explanations which could scarcely be taken seriously. The Committee was suddenly adjourned when it seemed to be on the scent of the truth; witnesses were whisked out of the witness-stand at the most critical moment of their evidence. Material witnesses like Earl Grey (one of the principal Directors of the Chartered Company) and Dr. Rutherford Harris, one of the principal promoters of the Johannesburg conspiracy, were in South Africa and were not recalled. Rhodes and his friends could scarcely have been more successful if it had been their deliberate object to embarrass the Imperial Government.

The Report, when it came in July of this year, denounced Rhodes, but gave a clear negative to the question "whether the Colonial Office officials at home had received information that could be assumed to convey a warning of the impending incursion." Harcourt, the principal Liberal member of the Committee, who is supposed to have written a large part of the Report, held the view that the terms of reference limited the Committee to pronouncing upon the actual incursion and was opposed to any roving inquiry about what preceded it. But he was greatly astonished and mortified when, in the debate that followed in the House of Commons, Chamberlain declared that Rhodes had done "nothing inconsistent with honour," and therefore, presumably, nothing requiring any penal measures such as the forfeiture of his Privy Councillorship. It seemed incredible that Chamberlain should go out of his way to speak in these terms of a man who, according to the theory adopted by the Committee, had grossly deceived him and misused his name to support his own indefensible proceedings. "I was never more astonished, and I will say I was never more shocked than when I heard that speech," Harcourt told the House of Commons three years' later. "These men operated to draw the Colonial

Office in, so as to be able to say to South Africa 'the Colonial Office is behind us.' I want to have that shown up. I want to have the conduct of these men who have stuck at nothing—these unscrupulous men who have deceived everybody, who have ruined the character of the British nation for honesty and fair dealing—shown up in its true light." It is probable that Chamberlain himself did not greatly differ from this estimate of the conduct of conspirators and raiders, and it caused great astonishment that a man of his known disposition and temper should have turned his check to the smiter. Hence the report embalmed in the Annual Register of 1896, which his biographer dismisses as a slander, that a member of Parliament was sitting in the House with the suppressed telegrams in his pocket and threatening to read them if Rhodes had not received this testimonial.

8

After forty years it may seem of a very little consequence whether Chamberlain knew a little more or a little less about the Johannesburg conspiracy and Jameson's intended incursion. As Colonial Secretary it was his business to know all that could be known and to take precautions for Imperial interests. It was in any case a very fine line which separated reasonable precautions from connivance and co-operation, and it was likely enough that being new to office and sharing the general opinion that Rhodes was infallible, he would commit some mistake which would lend itself to unscrupulous use by unscrupulous people. If the Imperial Government once departed from the simple line of disinteresting itself in the internal affairs of the Transvaal and warning all British subjects living in that country that any action they took must be at their own risk and peril, it was bound to be in the ambiguous position in which the interested spectator is easily mistaken for the accessory. It is fair to Chamberlain to remember that this departure had been taken long before he came into office. No British Government had ever been able to disinterest itself from the affairs of the Transvaal, and Kruger's treatment of the Uitlanders threatened a revival of racial feuds throughout South Africa of which any British Government was bound to be an interested and anxious spectator.

The disaster lay not in the fact that Chamberlain had blundered but in the nerveless handling of the situation that Rhodes imposed on him.

No one can doubt that the publication of the telegrams in the period following the Raid was highly undesirable in the public interest. Salisbury had assured the German and other foreign Governments that the British Government was innocent of all complicity in the outrage on the Transvaal, and, however they might be explained away, the appearance of documents in which Rhodes and his agents asserted the contrary, must have poisoned the diplomatic atmosphere, already sufficiently embittered by the Kaiser's telegram to Kruger. This was the opinion not only of Chamberlain's friends and colleagues but of his two principal opponents, Harcourt and Campbell-Bannerman, who were members of the Committee of inquiry. The conduct of these two men is, indeed, one of the most striking examples of fidelity to something recognized as the public interest which prevailed among elder statesmen of both parties at this time. For years afterwards they suffered much criticism and even obloquy for the supposed timidity or incompetence which had made them the easy victims of Rhodes and Chamberlain. They never explained or even hinted at "reasons of State" as governing their conduct.

If the threatened disclosure was undesirable in view of the international situation, the public hushing up practised by the South African Committee was disastrous from the South African point of view. The one chance of peace after the Raid lay in prompt and thorough inquiry, and the doing of impartial justice upon raiders, conspirators, Rhodes and the Chartered Company. The conduct of the South African witnesses made it all too evident that inquiry was being burked; the apologies for Rhodes and the leniency with which the Chartered Company was treated led to the belief that justice would not be done and that the Colonial Office had been in league with raiders and conspirators to destroy the independence of the Transvaal. Asquith said in after days that if the South African war was to be dated from any moment, it was from the evening in the House of Commons when Chamberlain gave his final certificate to Rhodes. The whole course of events was such as to make peaceful negotiations all but hopeless. It inflamed the suspicions of the Boers, set them arming instead of negotiating, and made them more than ever impracticable about the grievances of the Uitlanders.

Rhodes has captured the imagination of romantic writers and he

still stands out as the Elizabethan of this time. Undoubtedly he had very striking qualities; he behaved with notable bravery on more than one occasion in his wars with native tribes; his ambitions were large and spacious, his energy enormous; he had an imaginative side to him which came out in the famous will founding the Rhodes scholarships. But he fell from the heights to the depths in the period following the Raid, and there is no palliation possible for the disregard of all interests but his own and those of his friends, and the ruthlessness with which he compelled the Colonial Secretary, and through him the Imperial Government, to do his bidding. W. T. Stead claimed indulgence for him on the ground that he had been reared in the "moral meridian" of South Africa with its peculiar mixture of pioneering and finance—of America in the 'forties and America in the 'nineties. There is something to be said on that ground, but his belief that every man had his price, his irritation when he failed to buy off or break down opposition, his persistent underestimate of the courage and honesty of his Dutch opponents made him in the end a dangerous politician. Though crowds acclaimed him as the great imperialist, his vision was essentially parochial. When he came to London after the Raid, he seemed to be totally unaware of the complications he was creating for the Imperial Government in Europe, and when reminded of them dismissed them impatiently as no concern of his. It was nevertheless a fact that the forces he had set in motion were to affect the relations of Great Britain with her European neighbours right up to the Great War.

9

Before the end of 1896 the situation between British and Boer was nearly as bad as could be. Kruger had declined Chamberlain's invitation to come to London, and replied defiantly to his dispatches by asking for a revision of the "suzerainty" clause which prevented the Transvaal from making treaties with foreign Governments—a demand which could only be met with a sharp negative. It was reported from South Africa that the Free State, which had hitherto been friendly to Great Britain, was rallying to the Transvaal, and that the Cape Dutch were complaining loudly of their betrayal by Rhodes. Kruger was now the hero of all the Dutch; and Botha, Smuts and the younger

Transvaalers, who had been working for a more conciliatory policy, were at a hopeless disadvantage.

In Europe the consequences were no less disastrous. In the weeks after the Raid, the German Kaiser was indefatigably at work trying to turn the situation to his advantage. On the day before he sent his congratulations to the Boer President, he had telegraphed to the Tsar ; "Never will I permit the English to oppress the Transvaal," and three days later he told the French Ambassador in Berlin that the British fleet was not ready, and that "if all the European states had joined hands with us, we might have done something very important." Baron Holstein, the indefatigable schemer of the German Foreign Office, took up this idea and proceeded to explore the ground with the other Powers.¹ Why, he asked, should not Germany after her Transvaal experience go over temporarily to the Franco-Russian group and take with her Italy and Austria? All wanted something from Great Britain, especially in Africa and the Far East and, if they worked together for only a short time, they might do very profitable business. Then in due course Great Britain would learn that if she wished to keep her Empire without fighting for it, she would have to come to the Triple Alliance and definitely join her fortunes with it.

The weakness of this project was that its ultimate purpose—bringing Britain back to the Triple Alliance—could not be avowed to the proposed temporary partners. The German Ambassador in Paris was instructed to test the ground, but of course to say nothing about that part of the German plan. He was to speak only in general terms, and though he was permitted to mention the Transvaal, if he did it in a natural way which did not suggest that Germany was in such difficulties as to need support, he was specially warned to say nothing about Near-Eastern, Mediterranean or Indian questions.

No answer came from Paris to this communication, but the record of a conversation between the German Foreign Secretary, Marschall von Bieberstein, and the French Ambassador in Berlin sufficiently shows the French attitude towards it. The Frenchman immediately seized upon the point that Egypt was excluded from the proposed combination. "I can't see," he said, "what use it would be for us to join you in checking England in matters in which your essential

¹ G. P., Vol. XI, No. 2640 *et seq.*

interests are at stake without being able to count on your support where our interests are more important than yours." By this time the Paris press had got wind of the German *démarche* and raised a strong remonstrance against French participation. The cry went up that there must be "no unnatural alliance," and the Transvaal was said to be a very unsuitable subject to divert the thoughts of Frenchmen from their lost provinces. At one point it seems to have been suggested in Paris that, if Germany mobilized a flying squadron in answer to the British flying squadron, France might do the same, but by this time the Germans were by no means sure whether the French demonstration might not be a counter-demonstration to theirs instead of a joint demonstration with them against England, and the idea was not encouraged.

Inquiries in Rome and St. Petersburg yielded scarcely better results. The Italians, to whom the whole design had been disclosed, wished to be quite sure that the combination would be only a passing phase which would have the desired result of bringing England into the Triple Alliance. The Italian Prime Minister, Crispi, had an open mind to the proposal, for he was aggrieved at what he held to be the failure of the British Government to support him in Abyssinia, where Italian arms had recently suffered a serious reverse at the hands of Menelik in the battle of Adowa, but he thought it more probable that the German scheme would throw the British into the arms of France and Russia than reconcile them to the Triple Alliance. Besides, what had Italy to gain by it? Russia had no objection, provided the others consented, but the German Ambassador had finally to report to the Russian Foreign Secretary that none of the others would consent.

Testing the ground thus showed once again that the Franco-German schism governed the situation in Europe. Annoyed as she might be with British proceedings in Egypt or Siam, France was not willing to make common cause with Germany to score a point against Britain. "We can no more forget Alsace-Lorraine," said a French Minister, "than we wish to make war about it. Events will restore it to us and all our foreign policy must be subordinate to that end." This was fatal to the Holstein plan, and Germany was left to face single-handed the embarrassment which she had created for herself by her attempt to intervene between British and Boer.

But this only started her on a new tack which in the end was to have serious and permanent results on British-German relations. If the situation was mortifying to the Kaiser, it was grist to the mill of the naval party which for several years had been arguing that world policy required sea-power. Now at length, as they pointed out, actual experience had shown the utter helplessness of the German people without a fleet. Of what use were the Kaiser's schemes for mobilizing marine infantry, landing in Delagoa Bay, rallying Boer and Portuguese for an attack on Britain, when it was known to everybody that any expedition issuing from a German port would immediately be destroyed by the British Navy? A young naval officer named Tirpitz, who had already caught the Kaiser's eye by his zeal in the naval cause, reported to his senior that he had had "an opportunity of vindicating in the highest quarter" the views of the big navy advocates, and in his "Memoirs" written in after years he says that "the outbreak of envy, hatred and rage which the Kruger telegram let loose contributed more than anything else to open the eyes of large sections of the German people to their economic position and the necessity for a fleet."¹ Another phase of the South African question was to produce the same reaction four years later, but if the beginning of naval rivalry between Great Britain and Germany is to be dated at any point, that point is January, 1895, the month of the Jameson Raid and the Kruger telegram.

¹ Tirpitz "My Memoirs," Vol. I, p. 65.

CHAPTER IX

SOME THORNY QUESTIONS

1896

I

THE legislation of these years has little more than an antiquarian interest, but the Government managed to stir some hornets nests in its first working session. Within a few weeks party warfare was raging fiercely over "Tory doles to landlords, farmers and parsons," Ministers having proposed to pay half the rates on agricultural land by a grant from the Exchequer, and introduced an Education Bill which included a grant of half a million in aid of Voluntary schools, i.e. mainly Church schools.

Then, as frequently in the subsequent years, agriculture was complaining bitterly of its depressed condition, and the Government defended its proposal to relieve the farmers of their rates as a small measure of relief for an industry threatened with ruin. Conservative members thought it too little, Liberals and Radicals denounced it as a subsidy which would find its way into the pockets of landlords and be of small benefit to farmers. It was carried after heated debates, but the Education Bill was less fortunate. That, by abolishing rural school boards and making committees of the newly-created county councils superior authorities to urban school boards, contained the seeds of the measure which Mr. Balfour was to carry six years later. Opinion was by no means as yet ripe for this change. Nonconformists detected in it a deliberate effort to destroy Board schools in the interests of the Church of England, and especially disliked the clause in the Bill which provided that even in these schools sectarian teaching might be given when a certain number of parents desired it. The Government, they said, were aiding and abetting the clergy

in an attempt to destroy the public system of education and capture the schools provided at public cost.

Controversy on these subjects was to occupy Parliament and agitate the public at short intervals during the next twelve years, and the emotions raised by them were genuine and passionate on both sides.

In 1896 a considerable majority of children were still being educated in Voluntary, that is for the most part, Church of England, schools; and it was a standing grievance of Nonconformists that in many urban and most rural districts they were compelled to send their children to these schools. A conscience clause enabled them to withdraw them from sectarian teaching, but this they regarded as invidious and inadequate, and their leaders took the high ground that the voting of public money, and especially the money of the rate-payers, to denominational schools was an injustice, and an offence to the conscience of those who were not members of the favoured denomination.

The Anglicans on the other hand had from the beginning looked with suspicion on Board schools, which they regarded as rivals and competitors in a sphere peculiarly their own, and gravely defective in the kind of religious teaching they thought essential for children. Under the famous "Cowper-Temple clause" the authors of the original Education Act had thought to solve the question by prescribing "simple Bible teaching," supposed to cover the "common Christianity," but excluding the specific doctrines of any Church or sect. Large numbers of Anglicans, and especially the Anglo-Catholic party, protested that this was as little satisfactory to them as denominational teaching was to Nonconformists, and that if the latter were entitled to complain because public money was being allotted to schools where Church doctrine was being taught, they were equally entitled to complain of its being allotted to Board schools where the "Cowper-Temple religion" was taught. Without entering into these subtleties many more had got it firmly into their heads that the Board schools were "godless schools" and considered it their duty to make every effort and sacrifice to maintain the alternative Church schools.

2

Whatever might be the merits of these controversies, there was no doubt by this time that they seriously threatened the efficiency of elementary education. The clergy and their supporters were struggling to keep alive large numbers of schools which were structurally defective and badly staffed. Acland, the previous Minister of Education, had brought wrath upon his head by calling attention to their deficiencies, and insisting on the worst of them being remedied. Subscriptions were forthcoming, not only from Church people but from a good many others who thought it an economy to keep them alive, rather than risk the establishment of school boards and the cost of building and maintaining new schools. But even with this aid large numbers could barely be brought up to the minimum standard required by the Education Department, and by the standard ruling in Germany, Switzerland or Sweden these and a good many more would undoubtedly have been condemned as unfit for their purpose.

There were thus from the beginning three parties to this controversy: the Church, which was fighting at all costs to retain its schools, the Nonconformists, who desired the extension of the public system and objected to all further grants for the clerically controlled Voluntary schools, and educationists who saw the cause of elementary education checked and thrown back by the controversy between these two. It was difficult or impossible in the teeth of Nonconformist opinion to give adequate subsidies to Voluntary schools and leave them under the control of the clergy; it was impossible for a Conservative Government (or indeed any Government) to displace the voluntary system and incur the cost of making the public system universal; it was every year becoming more evident that a large number of Voluntary schools were below any standard that ought to be tolerated in an efficient system of elementary education.

Sir John Gorst, the clever, if rather cynical, Vice-President of the Council (as the Minister for Education was then called) made an effective use of these facts in introducing the Government Bill, but the solution he proposed was assailed from all points of view. The Church was uncertain about the attitude of the new committees of

county councils which it was proposed to set up; the new grants offended Nonconformists and were plainly insufficient to meet the evils which the Minister described; the clergy were doubtful whether the new opening for doctrinal teaching in Board schools would help their cause or undermine their argument for maintaining their own schools; the Nonconformists were sure that it meant a clerical invasion of the Board schools. The Bill was smothered with amendments, and Balfour, who took charge of it in Committee, quickly found himself in deep waters. He had not at this time made the subject his own or, as some of his supporters complained, given any deep study to the details of the Bill, and by incautiously accepting certain amendments he made it so unworkable that it had to be withdrawn. Among his other difficulties was the known fact that the measure was from the beginning distasteful to Chamberlain and the Liberal Unionists, many of whom had in past times ranged themselves definitely on the Nonconformist side in this controversy.¹

Before the session ended the Government made another of the periodic efforts to tinker with the Irish land system, which the piecemeal legislation of recent years had rendered more than ever unworkable. Tenants complained that renting on their improvements still continued, and that the fall in prices made even judicial rents beyond their means. Ulster as well as South Ireland had its grievances. The previous Irish Secretary had left on the stocks a Bill which the new Government picked up and combed of the proposals which it thought most likely to offend its supporters. But Irish landlords and their sympathizers in the House of Lords again raised vehement objections, and for some days at the end of the session it seemed as if the Bill would be wrecked on a conflict between a Unionist Government and the peers. But Balfour had pledged his word to his party that the House should rise at the beginning of August, and Ministers secured their Bill by conceding the chief part of what the peers required. The course of the debate on this subject both in the House of Commons and in the House of Lords had shown

¹ "They are the very maddest proposals I have seen in the course of my life. They would absolutely break down in the interest of the Church and the Roman Catholics, the so-called compromise of 1870."—Chamberlain to the Duke of Devonshire, "Life of Chamberlain," Vol. III, p. 153.

the Government to be in a confused and fumbling state of mind, and there were many rumours of dissensions in the Cabinet between Conservatives and Liberal Unionists, which were scarcely dispelled by Ministerial disclaimers.

3

The session of 1896 had scarcely been auspicious for the new Government, and before the year was over by-elections indicated that the tide which had brought them into office was already on the ebb. But the Opposition was in no better plight. The quarrel between the former Ministers continued, and at the beginning of October Rosebery gave it point and emphasis by resigning his position as leader of the party. The special reason which he gave for taking this step was, as recorded in the previous chapter, the speech which Mr. Gladstone delivered at Hereford on September 24 pleading for the Armenians and calling for a firm attitude against the Turkish Sultan, Abdul Hamid. Mr. Gladstone, he said, had innocently and unconsciously delivered the *coup de grâce* to a situation long becoming impossible by advocating a line of action which he could not endorse, though he was aware that it was approved by a great many Liberals. He also took occasion to say that it was necessary for a leader in the House of Lords to have a leader in the House of Commons who saw eye to eye with him. The public judged rightly that he had found it impossible to work with Harcourt, but his departure was far from ending the quarrel. It now appeared that the retired leader had many strong sympathizers who were unwilling to give more than a qualified allegiance to Harcourt, and raised objections to his being formally elected to fill the vacant place. Trouble was avoided for the time being by the adoption of the theory that, in default of an ex-Prime Minister, there was no such position as "leader of the Liberal party," and that it was unnecessary to do anything more than elect another peer to lead the party in the House of Lords. Lord Kimberley was accordingly appointed to succeed Rosebery in that position and Harcourt remained leader in the House of Commons.

This was an uneasy situation. The retired leaders presented a problem to the actual leaders, of which, as Rosebery said afterwards,

there was no solution but the lethal chamber. For though a leader might retire he did not disappear, and just as Rosebery had complained that Mr. Gladstone had made his position impossible, so Harcourt now began to complain that Rosebery was doing the same for him. All went well while the battle was on domestic affairs; Liberals of all schools cheerfully united in attacking Education Bills and Agricultural Rating Bills. But the rift appeared the moment a foreign or imperial question was in debate. Backed by John Morley, Harcourt remained a staunch opponent of anything in which he scented "jingoism" or "militarism," and asserted his views in robust language from which Rosebery and his friends thought it a duty to dissociate themselves. From these beginnings a quarrel developed which all but wrecked the Liberal party in subsequent years.

It would nevertheless be a mistake to regard the struggle on Foreign affairs as confined to the Liberal party in these years. A veiled conflict was proceeding incessantly in the Cabinet and in the Unionist party between a cautious and a spirited foreign policy—between the advocates of "splendid isolation" of whom Salisbury was the last and most stubborn, and the advocates of Alliances and continental activities of whom Chamberlain was more and more the moving spirit. The doubts, hesitations and compromises attending foreign policy in these years resulted from the conflicts between these forces.

4

Early in 1896 the Government, which in its previous term of office had seemed to waver about the British position in Egypt, took a step which anchored them firmly to the occupation of that country. This was the advance to Dongola, which was justified at the time as necessary to defend Egypt from the unrest following the crushing defeat of the Italians in their campaign against Abyssinia, but which turned out afterwards to be the first move in the reconquest of the Sudan. The Italians were undoubtedly in a serious position and it was reported that the Dervishes under Osman Digna were seizing the opportunity of their recent defeat to advance on Kassala on the Sudanese-Eritrean border, which was still in Italian hands. It was argued, not without reason, that any considerable success against the Italians would encourage the Dervishes to renew their attacks on the

Egyptian frontier, and that it was the duty of the occupying Power to keep them at a distance.

The Radicals under Labouchere and Sir Charles Dilke questioned the necessity, and saw a European intrigue behind the Government's decision. Harcourt and Morley followed their lead, and on March 20 the whole subject was raised in a full-dress debate on a vote of censure in which the Government held to their decision with the support of their full majority. The debate brought out that the Powers of the Triple Alliance were strongly in favour of the British move, and the other two Powers, France and Russia, as strongly opposed to it. The last two intervened to prevent the reserve fund of the Egyptian Debt being applied to the financing of the expedition, and the British Government had to find the money (£600,000 for immediate purposes) in the form of a loan to the Government of Egypt. The expedition, which was under the command of Sir Herbert Kitchener, was in the end completely successful, but not before it had suffered heavily from heat and disease. The Kitchener method required the construction of a railway *pari passu* with the advance of the army, and, since the case was urgent, work on this had to be pushed forward all through the summer, though the thermometer touched 130° in the shade and terrible sandstorms swept in from the desert. In the first three weeks of July there were 700 fatal cases of cholera, mainly among the Egyptian troops and workers, and 30 per cent. of the British officers either died or were invalided. From the beginning of June onwards the Dervishes were driven south by stages, and on September 19 Dongola was occupied.

Two years later the Italians gave Kassala into the keeping of the British, but their Abyssinian disaster remained a rankling memory and the attempt to avenge it was to plunge Europe into crisis forty years later.

CHAPTER X
THE DIAMOND JUBILEE
1897

I

IN the debate on the Address in the House of Lords at the opening of the 1897 Parliament (Jan. 19), Salisbury astonished his hearers by observing that in opposing Russia and supporting Turkey, Great Britain and both British parties had ever since the Crimean war been "staking their money on the wrong horse." The words must have been music to Mr. Gladstone in his retirement at Hawarden, for ever since the year 1875 he had been saying just this thing. But Salisbury had never been an enthusiast for the pro-Turkish policy of his party, and for the last twelve years he had been in cautious retreat from it. In 1885 he had refused to join the other Powers in maintaining the division of the two Bulgarias, which only seven years previously had been Lord Beaconsfield's principal achievement at the Congress of Berlin; and by this time the Germans had persuaded themselves that he was preparing a scheme for the partition of Turkey.¹ As usual the Kaiser and his Ministers suspected a British trap, for they considered it impossible that a leading statesman should seriously concern himself with the fate of the Armenians when so much else was at stake. Of Salisbury's sincerity there is no doubt. He was genuinely disturbed and exasperated by the continuance of Armenian massacres, and the impotence or disinclination of the Powers to bring pressure on the Sultan; but since, as he said in one of his speeches, "the British fleet could not cross the Taurus mountains," he could do nothing but repeat that, if the Turkish Empire remained unreformed, its doom in the long run was certain.

¹ G. P., Vol. X, Nos. 2373 and 2377.

In the next few months he found himself again in a position of much embarrassment between Turkey and the Powers. Early in February the island of Crete was aflame with rebellion and massacre, and Christian and Moslem once more in deadly conflict. The Turkish Government was detested by its Christian subjects, who looked to Greece for help and proclaimed their union with that country. The Greeks answered by sending a torpedo flotilla to the island under Prince George and a regiment of artillery under Prince Nicholas to the Thessalian border. These were acts of aggression which put the Turks technically in the right, and the Kaiser leapt to the opportunity of espousing their cause. His sister was married to the Greek Crown Prince (afterwards King Constantine), but this he considered of no importance compared with the friendship of the Sultan, which by this time he had come to regard as a corner-stone of his policy. The affair caused serious family trouble. The Empress Frederick, who did not share her son's opinions, wrote to her mother, Queen Victoria, praying for Lord Salisbury's intervention. Salisbury could do no more than advise the Queen to tell the Empress Frederick that the intervention which she suggested was impossible and unattainable unless her son consented. The Queen herself intervened by conveying to the Kaiser, through the Ambassador in Berlin, that she was "astonished and shocked at his violent language against the country where his sister lived."

Salisbury did his best for the Greeks. While not dissociating itself from the Powers, the British Government insisted on autonomy for Crete, reduced to the minimum its share of the joint measures now adopted for the coercion of the Greeks in Crete, and altogether refused to join in a blockade of the Greek coasts. But nothing could restrain the Greek zealots. Demanding the union of Crete with Greece they declared war on Turkey, advanced into Turkish territory and were disastrously beaten and put to flight by an army under Edhem Pasha, whose strength they had altogether underrated. The war lasted less than a month, and on May 8 the Greek Government intimated that it was ready to accept autonomy for Crete and withdraw its troops from the island. The Powers then intervened to make peace, but had considerable difficulty in inducing the Sultan to evacuate the parts of Thessaly which his army had conquered,

and only did so by permitting him to continue his occupation until the Greeks had paid off the war indemnity, which was fixed at £4,000,000.

A large part of the British public and powerful members of the Cabinet were strongly pro-Greek, and there were many voices for British intervention to stop the war.¹ Pacifists who objected to all other wars made their usual exception in favour of a war against Turkey. The Empress Frederick continued her appeals, and Queen Victoria inquired again whether something could not be done. But the Kaiser was adamant that nothing should be done until the Greeks themselves sued for help and promised complete submission to the Powers. Russia was at first for intervention, but withdrew in face of German opposition, and Salisbury was firm that Great Britain could do nothing in face of the opposition of the other Powers. In the end the Royal personages were reduced to telling their relatives in Athens that nothing less than complete submission would save them. There was for some time a fear that submission would cost the King his throne, but in the end he weathered the storm, aided possibly by the perception of his subjects that the establishment of a republic in Athens would get them into still worse trouble with the Emperors who ruled the situation. The incident revealed the extent to which the Kaiser had committed himself to the Turks in the policy which he called his "new course." That was to have increasing importance year by year up to the Great War. Dreaming of a great new German sphere of influence from "Berlin to Bagdad" and thence to the Persian Gulf, he had placed himself in a position in which the friendship of the blood-stained Sultan and the bolstering of his power had become vital German interests.

2

On Sunday, June 20, 1897, Queen Victoria celebrated the sixtieth year of her reign, and two days later went in procession through London, stopping for a brief religious service outside St. Paul's Cathedral. She had aged since the Jubilee of 1887 and was no longer

¹ A hundred members of Parliament signed a memorial of sympathy with the King of Greece—an act which Salisbury denounced as involving them in responsibility for the war.

equal to the great ceremonial in Westminster Abbey which had been the central feature of the previous celebration. Her correspondence shows her fencing with her grandson, the Kaiser, who had wished to come and bring a great retinue with him, thereby imposing on her the necessity of inviting other Sovereigns with their retinues. In deference to her view the Sovereigns did not come, and the "Diamond Jubilee," as the public called it, became a domestic celebration of the British Empire in which the Queen Empress figured as the "little old lady in black" in the midst of a pageant drawn from all parts of her Empire. Many picturesque pens described the scene, but it is best recalled in the simple and homely words in which she recorded it in her Diary: ¹

June 22nd. A never-to-be-forgotten day. No one ever, I believe, has met with such an ovation as was given me, passing through those six miles of streets, including Constitution Hill. The crowds were quite indescribable, and their enthusiasm truly marvellous and deeply touching. The cheering was quite deafening, and every face seemed to be filled with real joy. I was much moved and gratified. . . .

At a quarter-past eleven, the others being seated in the carriages long before, and having preceded me a short distance, I started from the Stare entrance in an open State landau, drawn by eight creams, dear Alix,² looking very pretty in lilac, and Lenchen sitting opposite me. I felt a good deal agitated, and had been so all these days for fear anything might be forgotten or go wrong. Bertie³ and George⁴ rode one on each side of the carriage, Arthur⁵ (who had charge of the whole of the military arrangements) a little in the rear. My escort was formed from the 2nd Life Guards and officers of the native Indian regiments, these latter riding immediately in front of my carriage. . . .

We went up Constitution Hill and Piccadilly, and there were seats right along the former, where my own servants and personal attendants, and members of the other Royal Households, the Chelsea Pensioners, and the children of the Duke of York's and Greenwich schools had seats. St. James's Street was beautifully decorated with festoons of flowers across the road and

¹ "Letters of Queen Victoria," Vol. III, p. 174.

² The Princess of Wales, afterwards Queen Alexandra.

³ The Prince of Wales, afterwards King Edward VII.

⁴ Afterwards King George V.

⁵ H.R.H. the Duke of Connaught.

many loyal inscriptions. Trafalgar Square was very striking, and outside the National Gallery stands were erected for the House of Lords. The denseness of the crowds was immense, but the order maintained wonderful. The streets in the Strand are now quite wide, but one misses Temple Bar. Here the Lord Mayor received me and presented the sword which I touched. He then immediately mounted his horse in his robes, and galloped past bare-headed, carrying the sword, preceding my carriage, accompanied by his Sheriffs. As we neared St. Paul's the procession was often stopped, and the crowds broke out into singing "God Save the Queen." In one house were assembled the survivors of the Charge of Balaclava.

In front of the Cathedral the scene was most impressive. All the colonial troops, on foot, were drawn up round the Square. My carriage surrounded by all the Royal Princes, was drawn up close to the steps, where the Clergy were assembled, and the Bishops in rich copes, with their croziers, the Archbishop of Canterbury and the Bishop of London each holding a very fine one. A Te Deum was sung especially composed by Dr. Martin; the Lord's Prayer, most beautifully chanted, a special Jubilee prayer, and the benediction concluded the short service, preceded by the singing of the old roothie which everyone joined. "God Save the Queen" was also sung. I then spoke to the Archbishop and Bishop of London. As I drove off, the former gave out "Three cheers for the Queen."

I stopped in front of the Mansion House, where the Lady Mayoress presented me with a beautiful silver basket of orchids. Here I took leave of the Lord Mayor. Both he and the Lady Mayoress were quite *émus*. We proceeded over London Bridge, where no spectators were allowed, only troops, and then along the Borough Road, where there is a very poor population, but just as enthusiastic and orderly as elsewhere. The decorations there were very pretty, consisting chiefly of festoons of flowers on either side of the street. Crossed the river again over Westminster Bridge, past the Houses of Parliament, through Whitehall, Parliament Street, which has been much enlarged, through the Horse Guards and down the Mall. The heat during the last hour was very great, and poor Lord Howe, who was riding as Gold Stick, fainted and had a bad fall, but was not seriously hurt. . . .

In the morning I wore a dress of black silk, trimmed with panels of grey satin veiled with black net and steel embroideries, and some black lace, my lovely diamond chain, given me by my younger children, round my neck. My bonnet was trimmed with creamy white flowers, and white aigrette and some black lace. Could hear a great deal of cheering and singing. Gave souvenirs to my children and grandchildren.

The only note that jarred came from the Irish in Parliament.

Mr. Dillon, speaking for his party, refused to rejoice in "a reign during which the people of Ireland had diminished one half, their taxation had been doubled, and forty-two Coercion Acts had been passed to deprive them of their liberty." Mr. Redmond spoke of Ireland "standing at the door of Britain in poverty and subjection, sullen and disaffected." India joined loyally in the demonstrations, but she too was under a shadow at that moment. Plague and famine were the portion of a large part of the country, taxing the administration to the utmost; and a terrible earthquake had brought death and destruction to hundreds of towns and villages in Bengal and Assam. The frontier too was disturbed, and in the Tochi valley three British officers and twenty-five men had been killed by a sudden raid of tribesmen.

3

The Colonial Premiers were again in London during these weeks, and Chamberlain took advantage of their presence to hold the first of the Imperial Conferences which were to take place periodically in the subsequent years. The debates brought out the strength of the sentimental ties between Great Britain and self-governing Colonies, and the extreme difficulty of giving them formal expression. Chamberlain threw out the idea of a consultative body which might in time develop into a Federal Council, "to which we must always look forward as our ultimate ideal." He also suggested the possibility of an "inter-changeability of military duties" by which the Colonial forces should serve in Great Britain and the Empire, and the British in the Colonies as parts of the same force, but the Premiers, while amiably disposed to these and similar ideas, were unable to pledge their Governments and Parliaments to any practical steps. Behind all proposals tending in a Federal direction loomed the formidable question of finance—how to share the burdens of the common defence or other common objects of a Federal Commonwealth, how to assess the different units to a common purse without encroaching on their fiscal freedom. It was admitted to be just that the self-governing Dominions should share with the British tax-payer the cost of defending the Empire, but no one saw any way of effecting this object which would be acceptable to the Dominions or likely

to work without creating serious friction. That the contributions must be free-will offerings at the discretion of each self-governing unit was then, as later, the unanimous conclusion.

The door had been opened to the policy of Preference by the action of Canada, which unsolicited had given a preference to British imports, and it was agreed that all possible efforts should be made by the Premiers to extend it in the other Dominions. For this purpose the Imperial Government undertook to denounce immediately any commercial treaties with foreign countries which stood in the way. But the question was still debated on the assumption that Great Britain would hold to her Free Trade policy, and Sir Wilfrid Laurier, the Canadian Premier, who was presented with the gold medal of the Cobden Club, declared himself convinced that "England would lose nothing by pursuing a Free Trade policy, even if it were one-sided Free Trade." Others took the ground that some Preference on their part would be a fair return to the only country which admitted their goods free.

4

Parliament this year made a substantial beginning with the urgent question of Workmen's Compensation, variously called Employers' Liability, for accidents. The Bill of the previous Administration which among other things abolished the doctrine of "common employment" had foundered in the House of Lords, but the Unionist Government, while deferring to the prejudice of their supporters on that point, now introduced a Bill which they claimed to have an even wider scope. Its chief provision was that in the case of death from injuries received in his employment the workman's representatives should recover a sum of not more than £300 or less than £150, according to the wages he was earning, and in case of incapacity that he should be paid one half his wages, provided it did not exceed £1 a week, for the whole period of disablement. The bill applied only to certain industries called dangerous, and omitted seamen, agricultural labourers, domestic servants, and all employed in workshops where steam, water and other mechanical forces were not in use. It also permitted "contracting out" in all industries, provided employers and employees agreed upon terms which the Registrar-

General of Friendly Societies regarded as not less advantageous to the workers than those proposed in the Bill.

The principal author of these proposals was Chamberlain, who made a powerful speech in their support against both Conservative critics, who thought it went a great deal too far, and Liberals who wished it to go a great deal farther. Conservative peers representing railway and coal interests made strong protests in the House of Lords, and later in the year Lord Londonderry resigned his chairmanship of a Conservative association on the ground that the leaders of the party had let it fall into the hands of the Radical Mr. Chamberlain.

A large part of the session was occupied in a heated controversy over the Government's proposal to apply £600,000 (or 5s. per child) per annum to Voluntary schools, this sum to be disbursed by Associations of Voluntary Schools at their discretion. All the questions debated on the Education Bill of the previous year—the favouring of one denomination at the expense of the others, the granting of public money without public control, the absence of guarantees for efficiency, were revived and threshed out in the House and subsequently on platforms. More than ever the complaint went up from Liberals that the Government were using their power to favour their friends and this apparently had considerable effect upon the electors, for throughout the year by-elections showed a marked Liberal reaction. The electorate in these years seemed to react equally against Liberal and against Conservative legislation.

CHAPTER XI

ISOLATION AND INTERVENTION

1898

I

MR. GLADSTONE, who had borne a painful illness with great fortitude, died on May 19 of this year. Never in the history of the country was there a greater or more spontaneous tribute to a public man than during the days which followed when his body lay in state in Westminster Hall, and was buried in the presence of a great company of mourners in Westminster Abbey. Controversy was forgotten, and the leaders of all parties joined in the eulogies pronounced in the two Houses of Parliament. Salisbury spoke of him as "a great example, of which history hardly furnished a parallel, of a great Christian man"; Balfour described him as "the greatest member of the greatest deliberative assembly that the world had yet seen," one "who brought to its debates a genius which compelled attention and who raised in the public estimation the whole level of its proceedings." They would never again, he said, "have in that assembly any man who could reproduce what Mr. Gladstone was to his contemporaries, or show to those who never heard him how much they had lost."

This uniqueness of Mr. Gladstone is what still dwells in the memory of those who saw him face to face and heard his voice. His personality in these years was something apart from his policy. He excited great passions and animosities, suffered heavy reverses in policy both at home and abroad, but the interest in him was inexhaustible and the enthusiasm of his supporters always rose a little higher than the antagonism of his opponents. In their hearts even his opponents were proud of him. Millions hung on his lips, read every word of

the reports of his voluminous speeches, and gained the impression that the affairs of nations and even the struggles of parties were the unceasing concern of a divine Providence whose humble agent and minister he was. His mind was an immense storehouse of fact and learning, and though experts said that his scholarship was out of date and his theology mediæval, he seemed to move in a large and spacious way through all the departments of human and divine wisdom. As no man since and few before him, he had the faculty of kindling interest at his touch. His publicity was immense, but the newspapers went after him, not he after the newspapers. Thousands of humble people had his portrait on their walls keeping company with that of Queen Victoria, who was supposed to share their admiration for her great Minister; thousands more went in pilgrimage to Hawarden, and bore away clips from the trees that he felled. His biographer said that he "kept the soul alive in England," and it is true.

Gladstone was the first statesman of the first rank to dream of an international order superseding the conflict of the Sovereign States, and those who look back to his Midlothian speeches may find in them the germ of the ideas which are fermenting in Europe to-day. These ideas were totally unintelligible to the European statesmen of the period, and above all to Bismarck who thought an intrusion of the ten Commandments into international affairs to be equally dangerous and unseemly. The great German was always in two minds as to whether Gladstone was a deliberate mischief-maker or an ignorant fanatic, but in either case convinced that there could be no safe dealings with him or any Government of which he was the head. Bismarck was not solitary in this view. Nearly all European statesmen at this time were agreed about the mischief and danger of idealism in international affairs.

2

For twenty years British foreign policy had swung about between Disraelism and Gladstonism, Imperialism and Liberalism, but with Gladstone's departure the return wave of Imperialism was on its way. Plungings and splashings all over the world, convulsive movements by all the Powers, less with the object of carrying out any settled policy on their own account than with the idea of forestalling or

circumventing the supposed policies of their neighbours and rivals were to be the characteristics of world politics in the last years of the nineteenth century.

Bismarck in the days when he still thought of Germany as a sated nation had preached the wisdom of "acting within the limits of power," and making sure that your friends were more numerous than your enemies. These sober maxims seemed now to have been cast to the winds. To do everything everywhere and at the same time, regardless of consequences and possible collisions, were thought to be the marks of a spirited statesmanship, and in nearly all countries the public growled angrily if their Governments seemed to decline any risk. Salisbury was counted one of the most cautious of British statesmen, but in the next two years (1897 and 1898) he was involved in dangerous trouble with Russia in the Far East, with France about the Upper Nile, with Germany about Delagoa Bay and Samoa, and finally in war with the Boers in South Africa. The European Powers moved in groups which required them to keep their activities within limits acceptable to their allies; Great Britain was still a solitary performer, who challenged each group in turn and found herself at critical moments without a friend in either camp.

3

All through the autumn and winter of 1897 British Ministers watched anxiously the development of events in the Far East. Their predecessors had declined to take part in the European intervention of 1895 which had deprived Japan of most of the fruits of her victory after her war with China, and had thus laid the foundations of a possible friendly relation with that country. But this lay in the future, and in the meantime both Russia and Germany were very evidently on the move.

The by-play between these two Powers decided what followed. The German Kaiser had mixed motives. He had what by all the signs must be counted a genuine obsession about the "Yellow Peril," which he saw threatening the European or Aryan races. He also greatly desired to obtain coaling-stations and points of vantage for Germany in the Far East, and most of all, he saw in the whole business an opportunity of turning Russia away from Europe and the Near

East, where her activities threatened Germany and Austria, to the Far East where they would be relatively harmless. The diversion of a possible enemy or rival to a distant part of the world had from 1871 onwards been one of the leading ideas of German policy; and in his communications to his Minister the Kaiser made no secret of his hope that Russia would be rendered innocuous in Europe, if her ambitions and resources were staked on an adventure at the far end of the world.

"We must endeavour," he said, "to nail Russia down in East Asia so that she may busy herself less with Europe and the European Near East. By turning to account the power of the Orthodox Church and the Moscow circle, Russia must be pushed forward as the Champion of Orthodox Christianity and the Cross, as the bulwark of civilization against the threatening danger of a Chinese assault set in motion by Japan. Prince Bismarck himself pursued a policy of that kind." But combined with the Russian championship of the Cross, there would be material advantages for Germany, if the Tsar were skilfully handled. A bargain might be struck between the two countries, whereby Germany would undertake to guard Russia's rear in Europe while she went forward with her Christian mission in China, and for this service Russia might consent to reduce her force on the German frontier. The Kaiser also reported that he had sounded the Tsar about coaling-stations, and the Tsar had said it was "perfectly natural" that Germany should desire something of the kind. Piety and business seemed to be perfectly adjusted in this scheme.

Towards the end of 1897 the murder of two missionaries in China set the Germans in motion, and on November 14 they seized the Chinese port of Kiao-Chow in Shantung, and a fortnight later dispatched an expedition to the Far East under the command of Prince Henry, the Kaiser's brother. At a banquet in the royal palace at Kiel on the eve of its departure the Kaiser apostrophized his brother in a melodramatic speech in which both the business and the religious aspects of the expedition were explained to the German people. It was to give protection equally to the "new German Hansa" which was developing the commercial interests of the country with such astonishing success and to "our German brethren in holy orders" who were risking their lives "to carry our religion to foreign soil."

"It must be made clear," he said, "to every European out there and above all to the foreigners whose soil we may be on that the German Michael has planted his shield adorned with the eagle of the Empire firmly on that soil in order once for all to afford protection to those who apply to him for it. May our countrymen abroad, whether priests or merchants, or any other calling, be firmly convinced that the protection of the German Empire, as represented by the imperial ships, will be constantly afforded them. Should, however, anyone attempt to affront us or to infringe our good rights, then strike out with mailed fist, and if God will, weave round your young brow the laurel which nobody in the whole German Empire will begrudge you." Prince Henry in his reply modestly disclaimed the desire to weave laurels round his brow, and assured his Imperial brother that he was animated by only one desire—"to proclaim and preach abroad to all who will hear, as well as to those who will not, the gospel of your Majesty's anointed person. This I will have inscribed on my banner and will bear it wherever I go."

These speeches reported abroad caused both astonishment and mirth, which was scarcely allayed when the *Cologne Gazette* explained that they were addressed not to foreigners but to the "plain people in Germany who are affected by warmer effusions" than are customary in other countries. The German records betray not a little uncasiness behind the rhetoric. For the Kaiser had not, as was supposed at the time, obtained the consent of the Tsar to the seizure of Kiao-Chow, but had jumped it on the strength of his admission or supposed admission that some such action on the part of Germany would be "perfectly natural." For some months the Germans had hesitated for fear of the consequences in Russia, but in the end they decided, as the Kaiser said, that "*a fait accompli*" is always more respected by other countries than previous recriminations."

4

The Tsar was disagreeably surprised, but he had a better idea than indulging in recriminations. Without delay he sent a squadron to occupy Port Arthur and the anchorage of Talién-Wan, much more important places than Kiao-Chow, and incidentally inflicted a mortification on the British Government by requesting the with-

drawal of two British cruisers then at anchor in Talien-Wan "in order to avoid friction in the Russian sphere of influence." Had Germany been deliberately pursuing the Machiavellian design of entangling Russia in the Far East, she could scarcely have done more to that end at one stroke. By occupying Port Arthur Russia stood deeply committed to the enterprise which was to end in disaster seven years later, and she was not long in disclosing her intentions. She now openly announced that while Talien-Wan was to be an "open port," Port Arthur itself was to be a naval station and that she had obtained from the Chinese the right of constructing a railway to connect both with the Trans-Siberian Railway. Pushed by the Kaiser, the forward party in St. Petersburg had gained their point, and it could no longer be doubted that they intended to convert Manchuria and the whole of the northern region into a Russian sphere of interest.

There was the usual flummery—a ceremony in Peking in which the Emperor of China declared himself "extraordinarily gratified" that the 200-year-old friendship between the great neighbouring States of Russia and China had thus been cemented, solemn assurances that "the integrity of the Sovereign rights of China" would be respected and that foreign States, so far from being injured, would "derive great benefits from the opening up of new regions to trade." At the same time Russian agents were doing their utmost to block loans to China from other European countries and demanding "compensation" when these were conceded.

Great was the commotion in England when the facts became known. The Government was said to have been outwitted and outmanœuvred by both Germans and Russians in the race for ports in China. Liberal opponents mingled their reproaches with those of Tory jingoes. When papers were published and the question was debated in the House of Commons on April 5, 1898, it appeared that Salisbury had protested against the occupation of Port Arthur on the ground that it constituted a menace to Peking, that the Russians had equivocated about their intentions, and that in spite of the "extraordinary gratification" of their Emperor, the Chinese had strongly objected, but, in default of help from Europe, had been obliged to give way to superior force. Salisbury's conclusion was that nothing now remained for

the British Government but to go and do likewise, and he instructed the British Minister in Peking to obtain the lease of Wei-Hai-Wei on the opposite shore of the Gulf of Pechili to Port Arthur, which was about to be evacuated by the Japanese. Balfour explained to the House of Commons that it was not intended to turn the place into a commercial port, but only to "hold it as a balance to the position of Russia." Port Arthur, he admitted, had by far the greatest natural strength, but it had a contracted area and inlet, and Wei-Hai-Wei, though not very extensive, could accommodate larger ships than its rival.

The Chinese, having been compelled to give Kiao-Chow to Germany and Port Arthur to Russia, were not unwilling that a third great Power should come in to keep watch on the other two; and Japan, which since her peace with China had a grudge against the other two, saw every advantage in letting Great Britain play a part which for the present was forbidden to her. France remained in the background, but it was understood that she would support diplomatically any action of her European partner, Russia.

Thus by the spring of 1898 the pieces were set out on the Far Eastern chess-board in the manner which determined the subsequent moves—Boxer Rebellion, Anglo-Japanese Alliance, defeat of Russia, and all the far-reaching consequences which followed in Europe and the world. The debates and records of this time are of special interest in the history of diplomatic ethics. No one had any doubt that war was a "legitimate instrument of policy." None of the Governments could even plausibly pretend that their operations in China were defensive. British Ministers spoke frankly of balancing power with power—neutralizing the Russia threat to Peking with a British threat to Russia. Conservative and Liberal critics alike twitted the Government for its timidity in hesitating to keep Russia out of Port Arthur even "at the cost of war." Everyone took for granted that war must be faced courageously for the promotion of policy, prestige, influence, commercial interests, in this far-away region.

5

These events raised doubts in the minds of leading members of the Government about the wisdom, let alone the splendour, of the

policy of isolation. Great Britain, now deeply committed, was plainly in a minority in the Far East, and the anxious question arose whether her fleet, notwithstanding its two-Power standard, would in the test of war in these distant waters be equal to the possible combinations against it. The production early in 1898 of a German naval Bill which, though only a shadow of what was to come, proposed substantial increases was not reassuring on this point. Scouting something of the mind of British Ministers, Baron Eckardstein, a member of the staff of the German Embassy in London, arranged a meeting between Chamberlain and the German Ambassador, Count Hatzfeldt, at the house of Baron Alfred de Rothschild on March 25, shortly after the Russian seizure of Port Arthur. This led to several further interviews between the Ambassador and the Colonial Secretary of which both left voluminous records. All that is important is that Chamberlain told the Ambassador¹ frankly that the situation had taken a turn which made it impossible for England to maintain her traditional policy of isolation and (according to the Ambassador) threw out the idea of an Anglo-German Alliance in which the two countries would engage to stand by one another in case either were attacked. The Ambassador reported this in full to his superiors in Berlin, laying stress on the urgency of the proposal and the necessity for strict secrecy, but in view of the vehement encouragement which the Kaiser had given to the Russian adventure in the Far East, they were plainly not in a position to accept an overture of this kind from London at that moment. The German Foreign Secretary therefore fenced with the proposal, making adroit use of the argument with which Lord Salisbury in 1889 had rejected a similar overture from Bismarck, viz., that British Parliamentary institutions made such engagements impossible. To keep Britain hopeful but at arms' length was at this time the cue of Berlin, and the Chamberlain overture was thus skilfully side-tracked. But there was almost no proposal which, in the opinion of the German Foreign Office, could not be turned to some advantage, and entirely ignoring the Ambassador's emphasis on secrecy, the Kaiser communicated the whole of it to the Tsar, who replied by revealing that in the course of the negotiations preceding the occupation of Port

¹ G. P., Vol. XIV (1), pp. 193-255; Eckardstein *Lebenserinnerungen*, Vol. I; "Life of Chamberlain," Vol. III, Ch. 57-59.

Arthur, the British Government had made tempting—indeed “amazing” proposals to Russia “trying to induce us to come to a full agreement upon all the points in which our interests collided with her”—proposals which “without thinking twice, over it were refused.”

These transactions show the pitfalls which attended diplomacy in these years, especially when a Minister new to great affairs and unversed in the technique of the business danced in upon ground on which the Foreign Secretary feared to tread. Chamberlain seems to have been unaware of the special and portentous significance which the word “alliance” had to diplomatic ears, and he used it with a light-heartedness in private and in public which shocked and startled the old hands, including his own Prime Minister. Headed off for the moment with his German project he now started on a new tack, and in a speech to his Birmingham constituents (May 13) developed the whole theme of the danger of isolation and this time looked for his “alliance” across the ocean :

I even go so far as to say that, terrible as war may be, even war itself would be cheaply purchased if in a great and noble cause the Stars and Stripes and the Union Jack should wave together over an Anglo-Saxon alliance.

In the same speech he handled Russia with the unhesitant familiarity that was his habit in dealing with opponents in domestic politics. “Who sups with the devil must have a very long spoon” was his comment on her recent proceedings in the Far East.

The appearance of the Colonial Secretary using language of this kind about a Power with whom our relations were supposed to be friendly, offering alliances and proposing radical new departures in foreign policy, without the sanction of Prime Minister or Cabinet, was certainly a startling departure from established practice. Foreigners spoke of the “two-headed Government,” and wanted to know whether Salisbury or Chamberlain was in command. Though there was warm sympathy at this moment for America in her war with Spain, both British and Americans were agreed that this wooing was altogether too sudden. If there was any word barred in the American vocabulary it was the word “alliance,” and even to utter it was to cause the friendliest of Americans a feeling of discom-

fort. Apart from their expediency, the crudeness of these performances was disconcerting and alarming to the elder statesmen of both parties, and when the House of Lords met after the Easter recess, Kimberley, the leader of the Liberal Opposition, asked searching questions. "Did Mr. Chamberlain speak for the Government or was he merely throwing out a feeler as an irresponsible person?" Had the Government in fact abandoned the traditional policy of eschewing "entangling alliances," were they seeking an alliance, and, if not, what did Mr. Chamberlain mean? Or, alternatively, if they were seeking an alliance, how could this frank disclosure of their necessitous condition be wise or timely? Salisbury, who held opinions very like Kimberley's about the methods of his Colonial Secretary, passed these questions in silence on the plea that they were irrelevant to the subject under discussion, which was the recent occupation of Wei-Hai-Wei. A debate followed in the House of Commons (June 4) in which Chamberlain scoffed at the idea that "collective responsibility" required him to refrain from expressing his ideas about the future of the country, and again repeated that without "advising or rejecting" the idea of an alliance, he "most earnestly desired close, cordial and intimate relations with the United States of America."

6

If Chamberlain's object was to stir the British people out of their complacent belief in "splendid isolation" he had certainly succeeded, and nothing was as before after his intervention. On the main point he was undoubtedly right. A policy which challenged successively or simultaneously France, Germany and Russia, and gave equal offence to both European groups might easily have to reckon with a hostile combination to which even the two-Power fleet would be unequal. Pacifists and little-Englanders drew the inference that Great Britain must moderate her policy and refrain from the splashing Imperialism which ran this risk. Chamberlain, who was for conceding nothing to foreigners, drew the equally logical conclusion that Britain must have allies. His preference was for Germany, but if Germany was unwilling, he was ready to look elsewhere, and before the end he is seen doing the spade-work for the Anglo-French Entente.

Though he made a strange blunder in talking about an Alliance to

the United States, Chamberlain's influence on British-American relations was wholly salutary in these years. It was largely through his influence that the dangerous Venezuela incident was peaceably arranged. It was again he who stood on guard against the powerful influences which sought to draw the British Government to the Spanish side in the Spanish-American war of 1898. It was in these days a cherished belief of the German Emperor that war was inevitable between Great Britain and the United States, and he looked hopefully to the prospect of seeing the Anglo-Saxons so much occupied in destroying each other that they would for a long time be innocuous in Europe. To find the British Government deaf to his suggestions of European intervention to save the Spanish monarchy from defeat was therefore a severe shock to him; and he was only with difficulty persuaded by his advisers that Germany could do nothing without British co-operation and would only inflame American opinion without helping Spain if she indulged in empty protests. The Queen of Spain wrote imploring letters to Queen Victoria who passed them on to the Prime Minister with negative results. Great Britain assumed the protection of American subjects in Spanish jurisdiction; the story went round that a British squadron had shown marked sympathy with the Americans in contrast to a German which was supposed to have shown an unfriendly disposition. The Spaniards alleged that in dealing with contraband and refuelling the British had shown preference to American over Spanish ships. This was formally denied, but it was true that Salisbury's Government had set its face against European intervention, and, when the war ended, there was a serviceable improvement in British-American relations which had been somewhat clouded in the previous years. In all this Chamberlain was a good and useful influence.

CHAPTER XII
THE FASHODA CRISIS

1898

I

THE British Government was now in very uneasy relations with Russia and Germany, and events were preparing which before the end of the year were to plunge it into a crisis with France.

From the beginning of the year 1898 Kitchener had been pushing on to the last stage in the reconquest of the Sudan. In the previous years he had completed his bold scheme of advancing the railway 250 miles across the Nubian desert from Wady Halfa to Abu Hamed, thus cutting off the great angle of the Nile and saving 600 miles of difficult navigation including the fourth cataract; and he was now carrying the railway forward towards Berber. In January, 1898, he called for a British brigade from Cairo, and with a mixed force of British and Egyptians advanced cautiously to a position on the Atbara. The Dervishes under Osman Digna came north to meet him, but were heavily defeated and put to flight in the battle of the Atbara on April 8. Kitchener next carried his railway to the Atbara, and finally concentrated his force at Egeiga, on the west bank of the Nile four miles from Omdurman. There on the morning of September 2 it was attacked by the Khalifa's army, 40,000 strong, which, though repulsed with heavy losses was by no means disposed of. British and Egyptians had now to advance over steep and broken ground under a sun so hot that the men were unable to hold their rifles. The ground was treacherous, being seamed with clefts which could not be seen until the troops were on the edge of them: dust and smoke were choking. There were anxious moments before Omdurman was reached, the Dervishes attacking fiercely on the British right flank

and coming on in great white clouds with reckless gallantry in the teeth of British guns. The 21st Lancers fell upon an ambush of 2,000 Dervishes and lost a fifth of their number killed and wounded in an action which is still among their proudest memories. By the afternoon the Dervishes were in full retreat, having lost over 10,000 killed, 10,000 wounded and 5,000 prisoners, and Kitchener entered Omdurman. The British and Egyptian casualties combined were less than 500. Two days later (Sept. 4) Kitchener crossed the river to Khartum, where the British and Egyptian flags were hoisted together, and a service was held in memory of Gordon on the steps of the Palace where he had met his death.

All had gone well so far, and the public judged that the cost was not too great for the clearing of a great region from the fanatics and slave-raiders who for nearly twenty years had infested it and held in their possession the head-waters of the river which was the life-blood of Egypt. But when Kitchener reached Khartum, the unpleasant news awaited him that a French expedition coming from the west had reached Fashoda on the White Nile, 600 miles south of Khartum. Within a week he started up-river with five gunboats and a small escort and four days later reached Fashoda, where he found Major Marchand with 120 Senegalese troops entrenched in a fort on which the French flag was flying. The Frenchman's position was extremely precarious. He had been attacked by the Dervishes and would almost certainly have been attacked again and destroyed but for the British victory at Omdurman and the arrival of Kitchener. But he asserted that he "had received precise orders from his Government for the occupation of the country and the hoisting of the French flag over the Government buildings at Fashoda," and he declined to move without further instructions from his Government.

This made a serious and rather ironic situation. Had the British expedition been timed a little later Marchand would probably have perished and no more have been heard of him. But, being saved, he threatened a dangerous quarrel between his saviours and his own countrymen. Kitchener treated the situation with great discretion. Having spoken firmly to Marchand and planted the British and Egyptian flags on a spot "commanding the only road leading into the interior from the French position," he reported the matter back

to the British Government; Marchand, meanwhile, was treated with all courtesy, but it was made plain to him that, so long as he remained, he was in British hands.

There followed a tense diplomatic duel between London and Paris, and for nearly two months the situation was regarded as one of "great gravity" in both countries. The principal difficulty was that Marchand had described himself as acting under the instructions of his Government. If he was right, that Government had acted in the teeth both of the Grey declaration of 1895 and of a later intimation given during recent negotiations about Lake Chad that a French advance into any part of the Nile valley would be regarded by the British Government as an "unfriendly act." Both the British parties were committed to this formula, and Rosebery came to the support of the Government in a speech in which he said that its policy was "the policy of the nation and that no Government which attempted to recede from or palter with it would last a week." He added that a flag was a "portable affair," and expressed the hope that in this case the flag was "the individual flag of an individual explorer and not that of the French Government."

The two Governments took the unusual course of publishing White papers and Yellow papers, while the negotiations were actually in progress, and for a time there was great excitement on both sides. A powerful reserve British squadron was formed in the Channel and other naval preparations were said to be in progress. The British lion roared loudly in the Press, and the Paris papers replied. Again no one doubted that war was a legitimate instrument of the national policy which required that the French should be kept remote from the head-waters of the Nile. This was Imperialism, as the great mass of the British people regarded it, and the circumstances were said to preclude arbitration. Never did the country stand more solidly behind the Government.

The legal argument was somewhat complicated, but in the end it offered a way of escape. It might be said that so long as the Sudan was in the hands of the Dervishes, a mere intimation that Great Britain regarded it as British-Egyptian territory could not bar the road to other Powers. A claim over territory must, like blockade in war, be made effective, i.e. the territory must be effectively occupied.

Thus Major Marchand was within his rights, and the French Government not in the wrong in sanctioning his expedition, which started when the Sudan was yet a No-man's Land, but both would be acting with propriety in withdrawing now that this ancient Egyptian territory had been effectively reoccupied. The French, in fact, had been playing with fire, gambling on the chance that the British would either not seriously pursue the reconquest of the Sudan or that they would fail in their effort. Delcassé, who had succeeded Hanotaux at the Quai d'Orsay a few weeks before the crisis, was far less Anglophobic than his predecessor, and he explained afterwards that he never had any serious intention of pushing to the point of war a dispute in which the interests of France were by this time negligible. His difficulty was merely to find a way back in the agitated state of opinion, and he threw out the theory that Marchand was "an emissary of civilization" engaged, like the British, in the common cause of reclaiming the Sudan, who could properly be withdrawn now that that task was accomplished.

So when Kitchener came to London and passed in triumph to the Guildhall to receive the Freedom of the City, Salisbury, who accompanied him, was able to announce that the crisis was over and that Marchand would shortly be returning. On his way back he received all the honours and courtesies due to an intrepid traveller who had made a dangerous and adventurous journey at the risk of his life, and the wound was partly healed by these compliments. But by an unhappy coincidence the Dreyfus scandal was at boiling-point during these months and the heated comments of English newspapers added a new source of irritation as the Fashoda crisis died down. By the end of the year British Ministers had to reflect that the uncasiest relations with France were added to their chronic difficulties with Russia and Germany.

2

Two days after the withdrawal of Marchand had been announced, Count Metternich, afterwards Ambassador in London, but then Prussian Minister at Hamburg, sent his Government a long note of a conversation which a friend of his had had with Chamberlain, presumably in London. In this the British Colonial Minister is represented as being still on a very high horse. The evacuation of

Fashoda, he was reported as saying, would not settle the question. France would try again : she would refuse to go out of the Bahr-el-Ghazel and play the same tricks there as she had played in West Africa, Madagascar, Tunis and Siam. The time had come when England and France had to settle all their differences once and for ever. He was afraid that Lord Salisbury lacked the nerve to force the issue as Bismarck had done at Ems, but all his colleagues, including even Mr. Arthur Balfour, were of opinion that his "peace at any price" policy could not go on and that England had to show the whole world that she could act. Christmas might pass quietly, but what would happen in January and February no one could foretell. England would then present her bill to France and she would pay no attention to anything that Russia might say. Her main fleet would be frozen up in the Baltic, and in the Far East, and her Black Sea fleet was not formidable. England hoped for the good wishes of the German Government and people and for a friendly German press. A good German press would "materially help to bring about a lasting good feeling between the two nations, and between the Teutonic and Anglo-Saxon race all over the world"; and a war between England and France would "unite all the English-speaking people and bring about a lasting understanding among each other."

We may conjecture that some colour was added by the reporter of this conversation, but it can scarcely be dismissed as fiction. Chamberlain had quite recently proclaimed his belief that a war in which the Union Jack and the Stars and Stripes flew together would be worth the cost and sacrifice; and the efficacy of a fighting partnership in cementing friendships and uniting the Empire was a theme much in his mind at this period. He looked for what Conrad von Hötendorf sixteen years later called "the great solution" in preference to the incessant chronic irritation on small matters and great which had vexed British Governments in recent years, and chafed at the restraints which the ageing and cautious Prime Minister was placing on his impetuous younger colleagues.

Reports that important people in London were talking in this strain reached the Kaiser while he was engaged in a histrionic tour in Palestine, and threw him into a high state of excitement. From Jaffa he telegraphed to the Tsar on October 28 to know what he was going

turbances are caused in great measure by the system of extraordinary armaments and the danger lying in this accumulation of war material renders the armed peace of to-day a crushing burden more and more difficult for the nations to bear. Evidently, therefore, if this situation be prolonged, it will certainly lead to that very disaster which it is desired to avoid, and the horrors of which strike the human mind with terror and anticipation.

Impressed with these feelings, the Tsar summoned all the nations accredited to his Court to a Conference, which should concentrate its efforts upon "the triumph of the grand idea of universal peace over the elements of trouble and discord."

The nations were beyond measure astonished, and a thousand pens immediately pointed out the discrepancy between the precept and the practice of the potentate who thus called the world to repent. That he could honestly entertain these ideas no one believed, but his motive was hard to fathom. Baron Holstein, the famous German permanent Secretary, as usual suspected a trap. "We must entertain the suspicion," he said, "that in the mind of Russian diplomacy the proposed Areopagus serves rather as a means to power than as a means to peace. In the next stage Russia is likely to make it a continental group against England, and later perhaps against others in Russian or in French interests." The Kaiser's first thoughts were that the Tsar had put a splendid weapon into the hands of agitators and anarchists, his second that the Tsar must be congratulated on his unchangeable intentions, his third that the untimely project must be nipped in the bud, but, if possible, without Germany appearing in it. He therefore wrote with his own hand to the Tsar.¹

BERLIN, 29 Aug 1898

Prince Radolin has communicated to me, by Your commands, the Memoire about the proposal for an international Conference to bring about a general disarmament. This suggestion once more places in a vivid light the pure and lofty motives by which your counsels are ruled and will earn you the applause of all peoples. The question itself—theoretically as a principle seemingly simple—is in practice, I am afraid, eminently difficult, considering the great delicacy of the relations and dispositions of the different nations to each other, as well as with respect to the most varied development of their respective

¹ "Fifty Years of Europe," p. 173

histories. Could we for instance figure to ourselves a Monarch holding personal command of his Army, dissolving his regiments sacred with a hundred years of history and relegating their glorious colours to the walls of the armouries and museums (and handing over his towns to Anarchists and Democracy). However that is only *en passant*. The main point is the love of mankind which fills your warm heart and which prompts you to this proposal, the 'most interesting and surprising of this century ! Honour will henceforth be lavished upon you by the whole world ; even should the practical part fail through the difficulties of the detail. My Government shall give the matter its most serious attention.

WILLY.¹

In the meantime Count Bülow, the German Foreign Secretary, had written to the German Ambassador in London : ²

It would be an advantage to Germany if this Peace and Disarmament idea, which under its ideal outward form makes a real danger of war, were wrecked on England's objections, without our having to appear in the foreground. Will you therefore speak to Mr. Balfour to-morrow on the question and tell him that the Tsar of Russia has in the most pressing manner expressed the wish to our most gracious Sovereign that he should show himself favourable on the advancement of his philanthropic plan. Our most gracious Sovereign, however, does not intend to do anything which might make difficulties for the British Government at a moment when an important agreement between it and the German Government ³ is coming to a friendly conclusion. He wishes, therefore, to know as soon as possible the attitude of England to the two ideas which are combined in the scheme for a Conference, the limitations of all armaments, and the examination of all pending questions with the object of avoiding the danger of war.

I venture, with the utmost confidence, to rely on your Excellency's well-tried dexterity to guide the exchange of views into channels profitable to Germany's interests. (August 26, 1898.)

The Ambassador lived up to his instructions, but British Ministers met him more than half-way. Salisbury considered the Russian programme *pas sérieux* ; both he and Balfour were agreed that no Power

¹ G.P., XV, No. 4222, p. 151.

² G.P., XV, No. 4217, p. 146.

³ Presumably the Anglo-German agreement about the Portuguese African Colonies concluded on August 30, 1898. See on this subject G.P. XIV, Vol. I, Chap. XLII.

would consent to submit questions of honour and vital interests to a third party, though it might be possible in this way to settle minor differences which had no importance. In any case, as Balfour said, there need be no hurry; it would take several months to settle the agenda, and in that time the whole project might be rendered innocuous. It did indeed take fifteen months, and in that time the ground was carefully laid out for the burial of the Tsar's project.

CHAPTER XIII

THE SOUTH AFRICAN WAR

1899

I

CHAMBERLAIN had been wrong in predicting further trouble with the French on the Upper Nile. After the Marchand affair Delcassé very wisely decided to cut his losses, and during the next few months came to an amicable arrangement with Salisbury about the Bahr-El-Ghazel. Hard bargaining was now going on with Germany about Delagoa Bay, where a secret agreement about the partition of Portuguese possessions, if Portugal abandoned them or was unable to exercise her sovereignty, was the price which the British Government had to pay to make sure that this region should not pass under the control of the Boers. The Treaty was of no effect, for the circumstances which it contemplated never arose, but it softened German antagonism in the British quarrel with the Boers which was now entering another acute stage.

The British Government made no overt move in South Africa during 1897 and 1898. The Raid had put it in the wrong, and its position was certainly not improved by the unsatisfactory and inconclusive inquiry which followed. The Boers were more suspicious than ever and the tale came from the Transvaal that Kruger was spending the money raised in fines from the Uitlanders on buying guns and munitions, some of which were being smuggled through to his sympathizers in Cape Colony. More than ever the Uitlanders complained of his heavy hand, and mine-owners protested that they were being squeezed dry by the dynamite monopoly of the Dutch Railway Company about which the British Government had protested in vain. The few progressive Boers who had wished for peace

were silenced, and the old President was apparently convinced that his rule was beyond challenge.

Since the raiders had supplied him with a ready answer if he were asked why he was arming, the British Government refrained from putting the question; but the appointment in February 1897, of Sir Alfred Milner to succeed the aged and ailing Lord Rosmead as High Commissioner and Governor of the Cape, suggested that something was on foot. Milner, though still a young man, had had a brilliant and varied career, first as assistant-editor of the *Pall Mall Gazette*, then as Under-Secretary for Finance in Egypt, and latterly after a brief incursion into politics, as Chairman of the Board of Inland Revenue. He was highly distinguished academically, having been a Balliol scholar and a fellow of New College, Oxford; and he had spent some time at a German University. All these were sufficient qualifications, but the appointment was out of the ordinary, and it was generally believed that he owed it to the fact that he was a staunch Imperialist and a likely agent for a forward policy.

Except for one speech in which he spoke of the tension in South Africa and attributed it to the "unprogressiveness, he would not say the retrogressiveness, of the Government of the Transvaal," he said nothing in public during his first year. At the end of 1898 he came back to London on short leave and was presumably in consultation with the Colonial Office. Apparently by this time his own mind was made up for a vigorous assertion of British rights even at the risk of war,¹ but Chamberlain was unconvinced, and the Cabinet extremely reluctant to force the pace. Milner was instructed to hold back, and before leaving London he told his journalistic friends that though the situation was bad there was nothing to be done about it, and they had better write and think about something else.

¹ See his dispatch on the dismissal of Chief Justice Kotze by the Transvaal Government:

Feb. 23, '98.

"I should be inclined to work up to a crisis, not indeed by looking about for causes of complaint or making a fuss about trifles, but by steadily and inflexibly pressing for the redress of substantial wrongs and injustices. . . . Whether this is wise depends on the Imperial outlook as a whole" ("Milner Papers," Vol. I, pp. 222-3).

But a change came rapidly after his return to South Africa in January, 1899. In his absence General Sir William Butler, the Commander of the Forces in South Africa, who was acting as his deputy, had damped down the Uitlanders' agitation, and declined to send forward to London a petition in which they asked the protection of Her Majesty's Government. There was also great excitement on the Rand about the shooting of an Uitlander, a man named Edgar, by a Boer policeman in a fracas at Johannesburg. Sir William, in Milner's view, had misinterpreted his instructions, which if not to incite were certainly not to quench the Johannesburg agitation. The returning High Commissioner now gave the helm a sharp jerk in the opposite direction, and shortly afterwards himself forwarded to London a second petition signed by over 20,000 British residents repeating the substance of the previous petition.

In many of his public activities Chamberlain presents himself as a man of strong will and resolute action, but whenever the curtain is lifted on the South African scene a stronger will is seen at work in the background. Rhodes had paralysed his action after the Raid; Milner was to be the driving force in the period now coming. All the evidence now available leads to the conclusion that Chamberlain wished to avoid war. "Nothing but a most flagrant offence would justify the use of force" he had told Milner in March, 1898, and later he had spoken in the gravest terms in the House of Commons about the serious and fratricidal nature of a war between British and Boer. But from the beginning of 1899 onwards he was carried forward step by step to a position in which war was bound to follow, unless the Boer President would accept peace at the cost of his own extinction.

As the opening move of a forward policy, Milner proposed the paradoxical plan of advising British subjects in the Transvaal to throw off their British citizenship and seek enfranchisement as citizens of the Transvaal Republic. He admitted the paradox to be a daring one, but counselled it as a sure way of obtaining the rights denied to them as foreigners. Give the British the vote, and they would in time outvote the Boers and bring the country under British control by a peaceful democratic process. The objection to this plan was that

its intention and ultimate object could not be concealed from the Boers, who concluded at once that if it were conceded their ascendancy would be at an end. Chamberlain was ready to give and take, and had an alternative scheme for making the Rand an autonomous area without power over the rest of the Transvaal—"Home Rule for the Rand." Milner's face was set against compromise, and the demand for the franchise left room for none. 'Unless sufficient to give the British real power, it would be no good at all, and it would be mere foolishness to accept the dribbles and instalments which Kruger would no doubt offer.

Milner was ready to take all risks, and he looked steadily in the face the possibility, even the probability, that war alone would settle the issue. Chamberlain and the Cabinet were by no means in this mood, but they let themselves be persuaded that the risk of the franchise policy was negligible. Emissaries of the Uitlanders who were now in London were emphatic on this point. Dr. Jameson argued very earnestly that "Mr. Kruger never looked into the mouth of a cannon," and reported all important opinion in South Africa to be convinced that the walls of the Transvaal Jericho would fall flat if the blasts of the British trumpet were only loud enough and long enough.¹ Let both parties and all the newspapers unite in demanding the franchise, and it would be conceded without a shot being fired. Whenever Mr. Kruger had been spoken to firmly—witness the Limpopo Trek, the Stellaland Raid, the Vaal drifts—he had invariably climbed down, and he would do so again. The objection that on these previous occasions he had nothing important at stake, whereas now he was being asked to submit to his own extinction, was overruled as of no importance. Those who talked thus, said Dr. Jameson, only showed their ignorance of Mr. Kruger.

3

This was the opinion on which Chamberlain acted when on May 4

¹ I myself asked Dr. Jameson what sort of war it would be if he were wrong and there were a war. He said undoubtedly a very serious war which would require at its start "one Army Corps in South Africa and two on the water." He begged me, however, to dismiss the idea that there was any likelihood of any sort of war. J.A.S.

he burnt his boats by publishing a vehement dispatch from Milner who declared the "spectacle of thousands of British subjects kept permanently in the position of helots, constantly chafing under undoubted grievances and calling vainly on Her Majesty's Government for redress" to be "steadily undermining the influence and reputation of Great Britain and the respect for the British Government within the Queen's Dominions." The case for intervention, said the High Commissioner, was "overwhelming," and the idea that things would right themselves if let alone untenable. By publishing this dispatch Chamberlain cut off his own retreat and made the cause of the Uitlanders his own and that of the British Government. But the moderating forces were not quite disarmed, and there was a pause while President Steyn of the Orange Free State intervened with a proposal for a Conference at Bloemfontein, the capital of his State, between the High Commissioner and President Kruger. Chamberlain agreed to this, and the two men met on May 31. Six days later, Chamberlain learnt—his biographer tells us with "disapproving astonishment"—that negotiations had been broken off.

There had in fact been no negotiations. Milner had presented his five-year retrospective franchise and Kruger had rejected it, and Kruger had presented a nominal seven-year franchise, not retrospective, which Milner had rejected. Milner then tried the Chamberlain alternative of Home Rule for the Rand, which the President "waved away with horror." Milner asserted, and no doubt believed, that he had been "most conciliatory," but he was the last man to deal patiently with the stubborn old patriarch who fought with the tears down-flowing for the independence of his country. All the comfort he could give him was to repeat that the "immediate voice" which he proposed for the Uitlanders would leave the old burghers in a majority. To which Kruger replied that though this might be true for a short time, the moment the Uitlanders got a majority, as soon they must, the old burghers would be at their mercy. Since it was known to everyone that the object of the franchise policy was to substitute British for old burgher ascendancy, Kruger could scarcely be reassured by the promise of a short respite. No effort was made to find a middle term between the British and Boer proposals, and each side having rejected the proposals of the

other, Milner declared that "this Conference is absolutely at an end."

At this moment a cable was actually on the way from Chamberlain begging Milner not to break off hastily and urging him to "admit a good deal of haggling before he finally abandoned the game." That he should have broken off a Conference on which hung the issue of peace and war without waiting for instructions from the Colonial Secretary or the Home Government may well cause the same astonishment to students of history as it did to his official superiors. Many Proconsuls had forced the hands of their Governments, but none had gone quite to this length.

Milner took a week before replying. He admitted that he was wrong in breaking off "quite as quickly" as he did, and said that of course he would not have done so if he had received Chamberlain's cable in time, but he reported that he had received tremendous backing from the British throughout South Africa, and spoke light-heartedly of the future. The Dutch were wavering and might press Kruger to go further and perhaps the whole way. If it came to war, the Orange State would be lukewarm and there would be much shrinking in the Transvaal itself. The beginning of a war would be very unpleasant, but the result would not be doubtful, "or the ultimate difficulty, when once we had cleared the Augean stables, at all serious." Milner wrote not as an official seeking instructions from a Minister, but as a colleague debating with a colleague on equal terms. He was sorry that they had been at cross-purposes, but this was inevitable owing to the drive and the impossibility of explaining everything by cable. So far as it was his fault he deeply regretted it.

4

The pressure from South Africa was unceasing and was applied remorselessly whenever the Colonial Secretary showed signs of yielding. In the middle of July the Boers renewed the proposal of a seven-year franchise, which they had thrown out after the Bloemfontein Conference, but this time "without vexatious restrictions," or so said *The Times* correspondent at Pretoria. Chamberlain was delighted and permitted the Lobby correspondent of *The Times* to

say that, if it were true, the crisis in the Transvaal might be regarded as ended. At the same time he cabled to Milner congratulating him on a "great victory" and advising him to make the most of it and accept it as the basis of settlement. Instantly the cry went up from the British in South Africa that "another Majuba" threatened. Milner "almost despairing" cabled back that the new proposal was worthless, and the Cape newspapers tore it to pieces. Chamberlain responded by stiffening his attitude, and now added the condition that any franchise should be approved by British and Transvaal delegates sitting jointly, and that any remaining issues should be discussed at another personal conference between Milner and Kruger. The details are unimportant. In the atmosphere as it now was between British and Dutch in South Africa, it became every day less probable that any proposals made by either would be accepted by the other. Too many on both sides were now running for blood. After Bloemfontein another confrontation with Milner was least likely to appeal to the old President.

It nevertheless continued to be the opinion of the Government that a sufficient demonstration of the seriousness of British intentions would cause the Boers to give way. From this point of view to use strong language, to arouse opinion in Great Britain, to apply pressure and increasing pressure, and to do all this not behind the scenes, but openly and publicly, seemed to Chamberlain the way of success, and the way, incidentally, which was most congenial to his own temperament. The war of tongue and pen reached its climax in August. Kruger had manœuvred with some skill, first passing through his Volksraad the seven-year franchise, then changing his tactics and offering to yield the whole of the British Government's demand on the franchise question, if in return that Government would renounce all future interference with the internal affairs of the Transvaal, "not insist further on its assertion of the existence of suzerainty," and promise to agree to arbitration about all points at present in dispute. A gentleman's agreement to stop talking about "suzerainty" which is what Smuts, who was the author of this proposal, appears to have contemplated, was one thing; a demand to drop it, which is what Kruger now put in, quite another. Chamberlain replied hotly in a public speech at Birmingham in which he

charged the President with "dribbling out reforms like water from a squeezed sponge," said "the sands are running down," and that "the knot must be loosened or else we shall have to find other ways of untying it." The issue was now widened and deepened and the whole question of British or Dutch supremacy in South Africa was seen to be involved.

It was rumoured at the time that Salisbury had been a very uneasy spectator of these events, and his hand was seen in a more conciliatory dispatch sent from London on September 9, in which an attempt was made to pull the question back to the details of the proposed franchise. But Kruger was now on a high horse, and bluntly refusing further parley, he issued an ultimatum on October 9. There was no way back from this. The demand of the little Republic that British troops should be "withdrawn from South Africa" and "none now on the high seas be landed in any port" was more than the meekest of pacifists could be expected to stomach.

5

Chamberlain in after days declared it to be a slander to allege that he sought war or wanted war, and held stubbornly to his thesis that if parties and party newspapers had suspended their controversies and stood firmly behind him, Kruger would have given way and war have been avoided. It was, he contended, the persistent and continuing criticism of his opponents which had misled the Boers and caused them to believe that the country was not in earnest. His sincerity need not be questioned. An honest belief in the efficacy of strong language was one of his characteristics, and to very near the end he appears to have accepted the assurances which came to him from South Africa that Kruger would not look into the mouth of a cannon. But in so difficult a case the national unanimity for which he now appealed could not reasonably be expected. The Raid and the revelations after it had not inspired confidence in the men who were behind British policy in South Africa. To large numbers of sober and thinking people the problem of fitting a new immigrant population into an old community needed more considerate handling than either Chamberlain or Milner had given to it, and many more who were willing to support the British demands

saw in their methods a dangerous out-running of the forces at their disposal. This was specially the opinion of Campbell-Bannerman, the leader of the Liberal party, when Chamberlain approached him in the month of June with a view to obtaining his support for sending out 10,000 men to reinforce the garrison of the Cape. In Campbell-Bannerman's opinion, the contemplated force was too small to make the British position secure if the Boers proved obdurate, but large enough to increase hostility and suspicion. He therefore declined to take the responsibility, observing that he could understand a diplomacy which worked for war and made corresponding preparations, but not one which risked a big war by brandishing a small force in the face of a formidable opponent.¹

A controversy arose subsequently as to whether Chamberlain used the word "bluff" in his interview with Campbell-Bannerman, as the latter alleged in a debate in the House of Commons five years later, and it may well be that the actual word was not used. But there is little doubt that it succinctly expressed the proceedings of the Government as described by Mr. Chamberlain ("The Rt. Hon. gentleman went on to say 'you need not be alarmed, there will be no fighting. We know that those fellows won't fight'"), and when the Kruger ultimatum came, the situation was exactly what was to be expected if the Government had been caught out in a game of bluff.

They were unready for war; they had fewer than 20,000 men on the spot, against three times that number commanded by the Boers; they had no plan of campaign; they were altogether taken by surprise when the Orange Free State made common cause and joined forces with the Transvaal. Even at this moment, their estimate of the task in front of them was lamentably below the mark. The Chancellor of the Exchequer estimated that £10,000,000 would cover the cost of the war and leave a margin; the War Office asked for 35,000 additional troops. Before the end nearly thirty times the amount of money and ten times the number of men were to be required. It may be argued that nothing but a war could have ended the quarrel between British and Dutch, or paved the way to the peaceful union which is so great a benefit to both, and according to the standards of the period there was nothing illegitimate in the

¹ "Life of Campbell-Bannerman," Vol. I, p. 237.

use of war as a means to this end. Nevertheless, it remains a true criticism that by forcing the issue beyond their power to strike, High Commissioner and Colonial Secretary landed the country in a far costlier and more dangerous struggle than was at all necessary on the assumption that war was the only solution. This was the Nemesis of the Uitlanders' estimate of Mr. Kruger, so strangely 'persisted in after their experience in the year of the Raid.

6

German strategical writers have defined war as "a continuation of policy," but seldom can soldiers have had committed to them a more difficult task than that of continuing Chamberlain's policy in the condition in which it was left by the Boer ultimatum. As was to be expected, the Boers had striking initial successes. They immediately invested Mafeking and Kimberley, and to the embarrassment of the military command Rhodes threw himself into the latter place and charged himself with its defence. Then they advanced into Natal and drove back the British forces which had advanced to meet them into Ladysmith, which also they soon invested. The correct strategy was to leave all these outlying places to the enemy until reinforcements arrived, but gallant efforts to hold them resulted in the locking up of about half the available forces, and fruitless attempts to relieve them absorbed most of the remainder. An attempt to break through the Boer line at Ladysmith failed disastrously in the battle of Lombard's Kop, and by the beginning of November the town was completely surrounded and cut off.

This was the situation which faced Sir Redvers Buller, who had been appointed Commander-in-Chief, when he landed in Cape Town at the beginning of November, and it became worse as the days went on. The Boers were now invading Cape Colony, Kimberley was crying out for relief, the position in Ladysmith was most precarious. Lord Methuen was sent to relieve Kimberley, but after stubborn fighting in which he had some success was defeated at Magersfontein; a day later General Gatacre, who was dealing with the Boer invasion of the Cape, was defeated at Stormberg, and within the same week Buller, who had gone to Natal to relieve Ladysmith, was thrown back in attempting a frontal attack with all his forces

and 16 large naval guns on the Boer positions on the Tugela River, and sustained a loss of 400 killed and missing and 720 wounded (Dec. 14). After this Buller sent a warning dispatch to Sir George White not to expect relief for another month and giving him discretion to surrender if he thought he could not hold out so long. Sir George ignored this discretion and held grimly on, but another effort to break the cordon round him ended in the disaster of Spion Kop, where a British force became a concentrated target for Boer rifles and had to be withdrawn after heavy losses (Jan. 24).

There had been redeeming features—the gallant rear-guard action at Elandslaagte, Methuen's hard fight before he was held up—but never in so short a time had British arms suffered such a series of defeats, and this at the hands of an enemy whom no one had taken seriously as a military power. The "black week," December 11-18, stirred and angered the British people and caused widespread satisfaction to an unfriendly world, which stubbornly believed that the British Empire was strangling the liberties of a little people rightly struggling to be free. Onlookers who knew little of the difficulties of the ground or the superior numbers and equipment of the Boers, at this stage cried out at the ineptitude of British Generals, who had made frontal attacks on unexplored positions and were apparently unaware that the Boers were mounted and that they were well supplied with guns. The fact that Buller had contemplated the surrender of Ladysmith shocked the Government out of its composure and stirred it to action. Before the end of the year Buller was superseded, and Lord Roberts appointed to the chief command with Lord Kitchener, whose reputation stood high after his reconquest of the Sudan, as Chief of the Staff. At the same time reservists were called to the colours, volunteers raised in the City of London and all over the country and in the Dominions, a special appeal being made for yeomanry and mounted troops. Roberts and Kitchener reached Cape Town on January 10, and by the end of the month an army of 200,000 men was either on the sea or awaiting transport.

7

With such a force opposed to them the defeat of the Boers could only be a question of time. They had had great successes, but they

had no better ideas of strategy than the Generals opposed to them. Instead of invading Natal and pushing forward to Durban they had wasted their forces in besieging Ladysmith; and in the meantime the Dutch in Cape Colony had not risen as they expected and they had made little of their invasion of that Colony. Presumably they had expected that all South African would be involved in war or rebellion before the British could be reinforced, and that being faced with the formidable task of reconquering and subjugating the whole country, the British Government would prefer to recognize the independence of the Boer Republics. The situation was in fact far otherwise. After the first four months of the war, their forces were dangerously scattered, and their very successes exposed them to heavy return blows from any reasonably skilful enemy commanding a superior force.

Roberts's strategy was skilful and simple. His main idea was to concentrate his principal force between the Modder and the Orange rivers, and then by advancing into the Orange Free State and Transvaal to compel the Boers to retire from Ladysmith, Kimberley and Mafeking for the defence of their home-lands and capitals. By a skilful feint he led them to believe that his objective was Kimberley but his real line of advance was eastward to Bloemfontein, and the relief of Kimberley was assigned to General French and a cavalry division which, starting on February 11, broke through the Boer lines and relieved Kimberley on the 15th. Cronje, the Boer commander, finding himself in danger between French and Roberts, made off to the west, but was caught by Kitchener at Paardeberg, where on February 29, after beating off a costly frontal attack, he was surrounded and forced to surrender with 4,000 men.

In spite of another reverse in Natal, where Buller had made a further and unsuccessful attempt to relieve Ladysmith, Roberts left that place alone, feeling assured that the Boers would be obliged to retreat from it if he disposed of Cronje and made good his threat to Bloemfontein. So it turned out, and on February 28 Buller was at last able to enter Ladysmith and bring supplies to the soldiers and civilians. Both had suffered heavily, though more from sickness and starvation than from the enemy's guns, and relief came in the nick of time. Roberts now resumed his march on Bloemfontein, unde-

tered by the loss of a large part of his transport, which had been captured by De Wet on the Riet river. For several days the troops were reduced to half-rations, but the Boers were demoralized and their resistance was feeble, and Bloemfontein was reached on March 14.

The army was exhausted, and a pause was necessary to enable it to recuperate and to make good and rearrange its transport, which now had a continuous line of rail to carry it. In the interval the Boers had some minor successes, and De Wet succeeded in ambushing a mounted brigade at Sannah's Post on the outskirts of Bloemfontein itself. There was also a rebellion in Cape Colony and a force had to be detached to suppress it. But by the beginning of May, Roberts was on the march again and making for Johannesburg. As he went he detached a flying column which, with the aid of Rhodesian troops from the north, relieved Mafeking to the great delight of the home public, which had watched its gallant and cheerful defence under Colonel Baden-Powell with equal sympathy and anxiety. The exuberant celebrations of this event by the London crowd gave a word to the language which was little in keeping with the manly and modest character of its defender (May 17). Roberts, in the meantime, had crossed the Sand River and entered Kroonstadt; and having proclaimed the annexation of the Orange Free State, pushed forward to Johannesburg, which he reached on May 28. A week later (June 5) he was in Pretoria, from which President Kruger had fled, taking with him the archives and an unknown quantity of "Boer gold." During the next few weeks the Boers made spirited attacks on the British lines of communication, especially between the Vaal and Bloemfontein, and De Wet showed his capacity for clever raids and timely escapes. In August, Roberts started to clear the Transvaal up to the Portuguese frontier, and threatening Komati Poort compelled Kruger to take refuge at Lourenço Marques whence he sailed to Europe on a Dutch man-of-war. Buller was now in a position to bring his army up from Natal, and the two forces together drove the Boers before them and occupied Komati Poort by the end of October. A month later (Oct. 25), the Transvaal was declared to be formally annexed to the British Empire.

CHAPTER XIV
LIBERALS AND THE WAR
1899-1900

I

THE events recorded in the last two chapters came near shattering the Liberal party. After Rosebery's resignation, the situation had been saved for the time being by the theory that, failing a Prime Minister or ex-Prime Minister, there was no such person as "leader of the Liberal party," and Harcourt was elected leader in the House of Commons with a hint that this did not guarantee his choice as Prime Minister if the party returned to power. Discussions on this subject behind the scenes did not ease his position or sweeten his temper, and in December, 1898, he too laid down his office on the ground that "a disputed leadership" beset by distracted sections "made an impossible situation." Morley, to whom he confided this thought, expressed his hearty assent in a correspondence which was sent to the newspapers, and by so doing closed the door on whatever ambitions he may have cherished to lead the party and become in due time Prime Minister.

The list of possible aspirants to this position was now an extremely attenuated one. Even if he had been willing, Rosebery could not be recalled without making worse trouble, and there remained only four members of the previous Cabinet now sitting on the front bench in the House of Commons—Sir Henry Campbell-Bannerman, Sir H. H. Fowler, Mr. Asquith and Mr. James Bryce—from whom the choice could be made.

Courtesy required that the position should be offered to Campbell-Bannerman, the senior of the group, but at the time it was thought improbable that he would accept it. As Secretary for War he had

proved himself a good administrator of the old school, but he was not an effective House of Commons man, and he was supposed to be of a rather indolent disposition and in a somewhat doubtful state of health. He was rich and he was leisurely, and year by year he had told the Whips that release from his duties at the beginning of August to enable him to take a cure at Marienbad was an absolute condition of his remaining in public life, and he had often absented himself, on the same ground at other times in the session. It seemed unlikely that such a man would take up the task which Rosebery had found impossible and Harcourt had laid down in disgust. On the other hand there was available in Asquith a young man whom everybody designated as a future Prime Minister, and who was by common consent one of the two or three most brilliant debaters in the House of Commons. Asquith, as he explained later in a Memorandum which is published in his "Life," would have had considerable difficulty in accepting the position, since he was under the necessity of earning his living at the Bar, but his friends hoped that this obstacle would be overcome. The question did not arise. Campbell-Bannerman, it turned out, had no intention of passing the nomination to his junior. "I am enough son of my country," he wrote to an old friend, "and have enough of the shorter catechism still sticking about my inside to do my best when a thing comes straight to me." His doctor, when consulted, took a cheerful view of his health, and his wife, who always came first in his thoughts, rose to the occasion. Within a fortnight he had definitely accepted, looking steadily in the face the fact that "ordinary difficulties will be mightily increased by the existence of a pair of intellectuals sitting round the corner, always ready to pounce." The appointment was accepted with relief by the rank and file of Liberals, who by this time had had enough of brilliant and wayward leaders, and hoped that Campbell-Bannerman would prove to be the safe and sober-judging man, free from temper or temperament, whom the situation plainly demanded.

2

All went well for the first few months and the new leader kept an adroit balance when thorny questions, such as the advance into the Sudan, were debated in the House of Commons. But from the

beginning of 1899 onwards the Government's proceedings in South Africa raised the old trouble in its acutest form. The Liberal Imperialist wing were in touch with Cecil Rhodes and Milner, and though critical of Chamberlain's methods, favourable to his general aims. The great majority of Liberals watched with growing suspicion and disapproval the rising quarrel in the Transvaal, and wished firm expression to be given to their opinions. Nothing would have induced them to take part in the joint demonstration of British parties against the Boers for which Chamberlain was asking in these months. Campbell-Bannerman kept the balance even until the war broke out, but after that the task was beyond him. The war fever swept over party boundaries and made new divisions. There were now three distinguishable factions in the Opposition. There was the Liberal Imperialist group which joined with the Unionist party in declaring the war to be "just and inevitable"; a centre group which held it to be unavoidable after Kruger's ultimatum, but regarded the diplomacy which led up to it as rash and unwise and looked to the future with anxiety: and a third group which was whole-heartedly pro-Boer, and condemned root and branch what it believed to be an unrighteous attack upon the liberties and independence of the two Dutch Republics. The centre was undoubtedly the great majority, but the two others contained many of the ablest and most pugnacious members of the party; Rosebery, Asquith, Grey, and Haldane on the Imperialist side; and on the other Robert Reid, the ex-Solicitor-General, and audacious free-lances like Labouchere, Bryn Roberts, and the young Welsh member, Lloyd George, who now for the first time brought himself into public prominence by his daring advocacy of the Boer cause in the tumult of war. He only escaped from the mob at Birmingham by disguising himself as a policeman.

It is an axiom in democratic politics that while a war lasts any change of Government will be from the less to the more warlike, unless a country is compelled to make peace. At the beginning of 1900 the country was very angry with the Government which had landed it in a series of mortifying defeats at the hands of the Boers, but angrier still with the pro-Boers and least of all in a mood to recall the Liberal party to power. That party had now again to

reckon with the fact that its hopes which had run high in the previous months were blasted, and probably for another long period of years. This did not sweeten tempers, and the new leader confided to his intimates that he had the greatest difficulty in preventing his front-bench colleagues from breaking out into recriminations with each other on the floor of the House. In the session of 1900 he persuaded them to join hands in a skilfully worded amendment to the Address "regretting the want of knowledge, foresight and judgment" displayed by the Government "in their conduct of South African affairs since 1895 and in their preparations for the war now proceeding."

This was skating on very thin ice, and the debate which followed, like so many in these years, was damaging to the Government without being helpful to the Opposition. The pro-Boers passionately denounced the Government, the Liberal Imperialists dissociated themselves from the pro-Boers, and large numbers who walked in fear of their constituents abstained from voting when the division bell rang. In the meantime the dissensions among the Liberal leaders had infected the Liberal press, which lived an uneasy existence during the next two years. Mr. E. T. Cook, the editor of the *Daily News* and one of Milner's most intimate friends, who had warmly supported the Chamberlain policy, was dismissed by his proprietors who as warmly took the opposite view: and Mr. H. W. Massingham, the editor of the *Daily Chronicle*, who was a strong pro-Boer, suffered the same fate at the hands of proprietors who were as strongly Imperialist. The evening *Westminster Gazette* stood between these two, and advised Liberals to postpone their quarrels and concentrate upon obtaining a liberal settlement when the war was over, but for the time being it was a solitary voice in the London press.

There was one curious cross-current between the groups. Quite early in the day Campbell-Bannerman had made up his mind that, if there were a war in South Africa, it could only end in the annexation of the Boer Republics, whereas the Liberal Imperialists had committed themselves to a precise interpretation of Lord Salisbury's phrase, "we seek no territory, we seek no goldfields," which seemed to bar annexation. In a speech at Glasgow in June Campbell-Bannerman burnt his boats on this question by saying plainly that "the two belligerent States—the two conquered States" (as by this time

they were assumed to be) "must in some form or other become States of the British Empire." By this time Salisbury was in a much fiercer mood, and in a speech in the City of London he declared that the Boers would be permitted "no shred of independence." The pro-Boers still held out, deeming annexation to be the final crime, but Campbell-Bannerman carried the great majority of the party with him and from June, 1900, Liberal policy was clearly defined as that of seeking reconciliation with the Boers by the road of self-government in contradistinction to the die-hard policy of conquest and subjugation, which at this time was in favour with the Unionist party. To this Campbell-Bannerman was to adhere unswervingly, until six years later he had the opportunity of giving effect to it. He came in fact to consider it a debt of honour which he personally owed to the Boers from the day that he consented to annexation.

3

But in the summer of 1900 any such declaration of policy was more calculated to increase than to diminish the difficulties of the Opposition. It was now said that the Liberal party, if it were given the opportunity, would undo the work of the soldiers and "spare the enemy," and a further argument was given to the Unionist party managers who were urging Ministers to seize the occasion of Lord Roberts's return from South Africa, and his assurance that the war was over or "virtually over", to dissolve Parliament and obtain a fresh lease of power by the overwhelming majority to which all the signs pointed. The temptation was very great, the reasons that could be alleged were at least plausible. The Parliament was more than five years old : to obtain an endorsement of the Government's policy and to place behind it a powerful body of reliable supporters for the last stages of the war and the conclusion of the peace were said to be high necessities : democratic principles required a renewal of the popular mandate before the final consummation of a policy which was not before the country at the previous election. What reason was there why the Opposition should be spared ?

They were not spared. Parliament was dissolved on September 18, 1900, and there descended upon them a rain of denunciation and invective exceeding the worst that they had suffered in the Home Rule

elections of the previous years. The slogan of the hour was "every vote given to a Liberal is a vote given to the Boers," and posters and leaflets spread it all over the country. Eminent Liberals were depicted on posters offering tribute to President Kruger, helping him to shoot British soldiers and to haul down the Union Jack. No discrimination was made between pro-Boers, Liberal Imperialists and Liberals of the centre. The Liberal Imperialist member for Newmarket was pictured in this position, though he had lost two sons in the war, and was visiting their graves in South Africa at the time of the election. Ruthlessness was the watchword and Chamberlain was unsparing in sarcasm and invective.

The Khaki Election of 1900 was in these respects the prototype of the "Coupon Election" of 1918, and if in this year the Liberal Imperialists had, like the Liberal Coalitionists on the later occasion, been joined with the Unionists in recommending a certified list of candidates to the electors of both parties, the result might have been no less disastrous to the Liberal party than in 1918. Chamberlain, who considered that the Liberal Imperialists had failed to give him support at critical moments, was determined that they should not be spared, and incidentally saved the Liberal party by joining them with the pro-Boers in his attacks. Being all exposed to the same attack the Liberal sections drew together in 1900 and fought a losing battle with skill and courage. When the polling was over the Liberal party was not extinguished, and though the Government majority was found to have increased to 134 from the 130 at which it stood at the dissolution, it was actually 18 less than at the election of 1895. Moreover, if the Unionist slogan meant anything, the rather alarming fact was revealed that 2,105,518 electors had gone to the polls to register "a vote for the Boers" against 2,428,492 who had voted against.

Party allegiance, which still counted for much in these days, was partly responsible for this result and disapproval of the methods of electioneering weighed for something in the scale. But the election revealed that there was a larger minority against the Boer war than probably against any war in which the nation had been engaged during the preceding century. The patriotic enthusiasm which enforces unity in a life-and-death struggle could not be evoked for a

conflict in which the two sides were so unequally matched ; large numbers while wishing for the speedy success of British arms saw no glory in the inevitable result ; and even among Unionists there was a sub-current of anxiety about the paths in which Chamberlain was leading their party. A famous cartoon of F. C. Gould, in which Salisbury and Balfour were depicted holding up fastidious hands while Chamberlain, as a muddy and bedraggled retriever, laid the Khaki Election bird at their feet represented a good deal of old-fashioned Conservative as well as Liberal feelings in these days.

CHAPTER XV

THE END OF A REIGN

1901

I

WHILE the South African war dragged its slow length along a great reign ended, and the Victorian age gave place to the Edwardian.

In December, 1900, it began to be known that Queen Victoria, now in her eighty-second year, was failing. She had suffered heavy bereavements in the previous months; her second son, the Duke of Coburg, formerly Duke of Edinburgh, died in July, and a little later her grandson, Prince Christian Victor, fell a victim to enteric in South Africa, where he was serving as a soldier. About the same time, her eldest daughter, the Empress Frederick, was pronounced to be suffering from a fatal illness. The Queen had felt deeply the strain of the South African war, but had been unwearied in her efforts to encourage the fighting forces, reviewing regiments before their departure, entertaining the wives and children of the regiment stationed at Windsor, sending a chocolate box as a Christmas gift to every soldier in South Africa. Just before Christmas she went, as usual, to Osborne, and on January 2 she received Lord Roberts and invested him with the Garter. For a fortnight longer she took her daily drive, then her strength suddenly failed, and on January 22, 1901, she died. Her coffin was taken from the Isle of Wight to Gosport between lines of warships, and finally in a military procession from London to Windsor where she was buried on February 2. Mourning for her throughout the country and the Empire was deep and sincere, and tributes to her came from all the world.

Simplicity, sincerity, and dutifulness were the qualities most attri-

buted to her at the time, and no shadow has been thrown on them by any subsequent revelations. During her long reign she gained for the monarchy respect and affection which largely compensated for the transfer of power to democracy which went on steadily through the nineteenth century. English men and women, especially of the middle classes, saw in her the qualities which they most liked to think their own, and her mere presence on the Throne seemed to them a guarantee of virtue in high places. In public affairs she had a remarkably shrewd understanding of common instincts and feelings, and was often able to point out to her Ministers that this or that proceeding on their part would bring trouble on their heads of which they had no presentiment. During the long period of her mourning she had seemed to lose contact with her subjects, but when she reappeared her touch was direct and simple, and she appealed to them even more as a woman than as Queen and Empress.

The struggles which were going on behind the scenes between her and her Liberal Ministers during her later years were hardly whispered at the time. A multitude revered equally the Queen and Mr. Gladstone, and had portraits of both on their mantelpieces and on their walls. It is difficult to imagine what their feelings would have been if the correspondence between these two had been as accessible to them as it is to the present generation. Mr. Gladstone saw in her attitude a "great sincerity." It was the sincerity of a woman who had fallen under the spell of his great Conservative rival, and who from that time onwards viewed with dismay all measures or tendencies which seemed likely to undo his work or give further impetus to Liberal and democratic forces. Intimate friends and Conservative Ministers and ex-Ministers confirmed her in this bias, sometimes with little regard for the impartiality of the Crown, of which in or out of office they were supposed to be guardians. Mr. Gladstone's inbred respect for the constitutional monarchy and his scrupulous observance of secrecy in his dealings with the Queen prevented any open collision between her and himself in their lifetime, but it is difficult to read the records now available without feeling that with a Minister of a different temperament, or a Liberal tide running as it ran in subsequent years, Queen Victoria's preference for one party over the other must have been dangerous to the monarchy.

By the deft touch of declining the name of Albert which his mother had wished him to bear in memory of his father, King Edward seemed at once to make a breach with the past, and the energy with which he set to work to renovate and brighten the royal palaces confirmed this impression. Except that he inherited her strong will and unsophisticated manner of judging events he was as different from Queen Victoria as a son could well be from his mother, and by this very difference he had served the monarchy well while he was Prince of Wales. From his youth upwards he had shown himself to be possessed of qualities which his parents lacked, but which are desirable in Sovereigns, especially Constitutional Sovereigns. They were strict, conscientious and extremely dignified; he was lively, free, sociable and easily unbent. A ready smile and an almost miraculous memory for names and faces won him a popularity which they, by much thought and effort, had somehow failed to achieve. His very reaction from his upbringing served him—and them—well in this respect, and from the beginning it was clear that he understood publicity and the public mind, and the importance of both to the monarchy, a great deal better than his parents. The stagnation of the Court and the Queen's refusal to appear in public after the Prince Consort's death might seriously have injured the monarchy, if her son, aided by his beautiful and charming wife, had not been active in these years, doing the ceremonial work that his mother refused to do, and keeping society alive and the public amused with his entertainments, his sports, his pranks and even his scandals. The peculiar mixture of indulgence and severity with which the Victorian public judged its favourites is not easily understood in after days, and there were occasions when he was told rather sharply by the newspapers and from the pulpit that he had fallen below the level of diversions permissible to the heir to the Throne, but these were passing incidents which did not seriously affect his popularity.

It was whispered in these years that he was a Liberal—a Liberal Imperialist of the school of Lord Rosebery. There is no evidence that his opinions strayed far from the conventional conservative lines which were natural in his *milieu*, but whether consciously or un-

consciously he had shown a sure instinct for correcting the biases and prejudices which his mother developed in her later years. When she quarrelled with Gladstone and was in danger of offending an important section of the public by her rudeness to him, he went out of his way to be ostentatiously friendly to the Liberal leader. He seemed positively to like making the acquaintance of men whom the Court considered disreputable. Dilke, Labouchere, and (in his Radical days) Chamberlain, whom the Queen abhorred as beyond the pale and enemies of the monarchy, he invited to Marlborough House, and even numbered among his intimates. In these ways he maintained in the public eye the impartiality between political parties expected in the Constitutional Monarchy at a time when Queen Victoria was bringing it under suspicion.

In the teeth of the advice given her by the Ministers of both parties and especially by Gladstone, she had persisted in keeping him aloof from public affairs, and had only with great reluctance towards the end of her life permitted a few confidential papers to be shown to him. She seemed to shrink from the idea of anyone so unlike her late husband as their son being brought into partnership with her, and objected that secret and confidential matters could not safely be entrusted to one who talked so freely and to so many undesirable people as he did. He had actually had the imprudence to ask Count Herbert Bismarck, of all men, whether if the Emperor Frederick had lived, he would not have restored Alsace-Lorraine to France and Schleswig-Holstein to Denmark, and brought down upon his head a retort discourteous from his nephew, the young Emperor William, which nearly made an irreparable breach between them in the first year of the Emperor's reign. Could anyone so crude as this be safely brought into the inner circle and let loose upon the delicate fabric of foreign affairs? By answering that question with her determined no, Queen Victoria had ensured that her son should have no regular or intimate contact with affairs until he came to the throne. A certain impressionism in his judgments was an inevitable result.

The relations of uncle and nephew and the persistence of rumour and gossip about them in Europe were to have disturbing and embarrassing effects in the coming years, but there was peace between them when King Edward came to the throne in 1901. They walked

or rode side by side in the processions during the funeral of the late Queen ; it was believed that the hatchet had been buried and a "complete understanding" effected during the days of mourning. The student of documents will look in vain at this time or in the subsequent three years for any trace of the deep scheme to reverse the traditional British policy with which the King was afterwards credited by some of his admirers in Britain and most of his critics and opponents abroad. All deep scheming for a long-term future was foreign to his character. His judgment was shrewd and keen about a given transaction and the persons engaged in it, and when his sympathies were enlisted or his temper roused, he spoke warmly and sharply, but he was not the profound student of affairs bent on a new policy, and still less the vindictive enemy of his nephew that some romantic portraits have depicted him as being. In spite of many exasperating incidents in previous years, he seems at this time to have made a sincere effort to put their relations on the amicable footing that policy and the national interest required.

3

The South African war swamped all domestic politics in the first year of the new King's reign, but there was at least one transaction in foreign affairs which was to have far-reaching consequences during the coming years. This was the conclusion by Lansdowne, who had now left the War Office and become Foreign Secretary, of the British-Japanese Alliance.

The story of the Far East was broken off in a previous chapter at the point at which Germany, Russia and Great Britain, having occupied respectively Kiao-Chow, Port Arthur and Wei-Hai-Wei, stood frowning at each other from these points of vantage. During the next eighteen months they were compelled to suspend their rivalries in face of the storm against "foreign devils" which their operations were raising in China, and which burst upon them in the Boxer Rebellion of 1900. For nearly six weeks China was cut off from communications with the outside world, and the most alarming rumours reached Europe. It was believed that the Peking legations had been stormed and their inmates slaughtered, and arrangements were actually being made for a Memorial service in St. Paul's Cathedral

when it was discovered that this was untrue. ^o But there was savagery enough to lead to further savagery when an international force under German command started to restore order. The German contingent had been instructed by the Kaiser in a lurid speech made to them before their embarkation to "behave like Huns" and "show no mercy," and they reflected this instruction in their conduct. The Russians flung 5,000 Chinese—men, women and children—into the Amur at Blagoveshensk and left them to perish. These operations did not ease the situation in the Far East or create unity between the European Powers. After them as before all sat glowering at each other and meditating the next move.

(In fact under this treatment China was rapidly falling into a state of disintegration, and the Ambassadors reported to their Governments that a dangerous scramble for her territory was highly probable in the near future. Lansdowne and the British Government now saw their position as one of great difficulty if not of actual danger. They had no friends in the Far East, or indeed anywhere in the year 1901, and they could not make the British fleet equal to a possible combination of Germany and Russia in those distant waters without dangerously denuding home defences, a thing not to be thought of while the South African war continued. "There is a root of bitterness against England which I am unable to explain," Salisbury had said in a public speech. "We can have no security; we cannot have any confidence in the feelings and sympathy of other nations. . . . We can have no security except in the efficiency of our own defences and the strength of our own right arm." ¹ But if Europe was thus hostile, it was more than ever important to find a friend in the Far East, and that friend could only be Japan, who might be presumed to remember that Great Britain had dissociated herself from the combination of
^o European Powers which had deprived her of the fruits of her victory after her war with China in 1895)

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4

The story of the negotiations which led up to the British-Japanese Alliance is one of the most picturesque chapters in the history of pre-war diplomacy, and one of the few that justify the popular belief

¹ Albert Hall, May 9, 1900.

in romantic episodes behind closed doors. Japan at the beginning of 1901 was in two minds about her foreign policy—whether to come to terms with Russia on the basis of annexing Korea and leaving Manchuria to Russia, who was now in virtual possession of that province, or to make an alliance with a European Power which would enable her at a favourable moment to renew the struggle with Russia without being hindered by other Powers. Both policies had powerful adherents in Tokio, and at the beginning of the year it seems to have been decided that both should be tried simultaneously in Europe. Thus Baron Hayashi, the Japanese Ambassador in London, was instructed to negotiate with Lansdowne for a British alliance, while the Marquis Ito, a respected elder statesman, was dispatched via the United States and Paris (avoiding London) to St. Petersburg where he was to negotiate with Count Lamsdorff for a Russian understanding.

It was an exciting race, but Baron Hayashi being already on the spot in London had a long start of the Marquis, who had to travel from Japan; and the former had brought his negotiations with Lansdowne almost to the final point when his competitor reached Paris. Hayashi now rushed over to Paris to inform the Marquis, who was very unpleasantly surprised to learn of the march that had been stolen upon him, but under pressure from Japan, where opinion was now hardening on the British side, yielded a reluctant consent "in principle" to the Baron's proceedings. He insisted, however, in going on to St. Petersburg, where he seems to have proceeded with his negotiations, as if nothing had happened in London. At that point Lansdowne, who was now fully informed of what was going on, acted promptly and firmly. When the Baron explained that the Marquis, being in bad health, had sought to avoid the climate of England in winter, he expressed a polite surprise that he should have betaken himself to St. Petersburg to escape the London fogs, and inquired sharply at Tokio whether the Japanese Government meant business. The answer came that they did, and at the end of the year the Marquis was instructed to leave St. Petersburg and betake himself to London. The closing scenes were at Bowood, Lansdowne's country house, where the two Marshals had searching conversations, with the result that the agreement was concluded on January 30, 1902. It provided that if either Power were attacked by more than one Power, the other

should come to its assistance. In all other events the two Powers engaged to observe a strict neutrality and to do everything possible to prevent other Powers from intervening, if either of them were at war; and promised to communicate fully and frankly when the interests of either were in jeopardy, and not to make arrangements with other Powers to the prejudice of the agreement. A considerable extension was given to this agreement in 1905, when it was enlarged to include India and eastern Asia, and the two Powers pledged one another to maintain the integrity and independence of China and the open door for all nations in that country. It now became technically an offensive and defensive alliance for these regions.

5

Salisbury appears for this occasion to have waived his objections to foreign entanglements,¹ thinking it to be an exception for a remote part of the world which would have no results on the politics of Europe. That was not the judgment of the other European Governments. The news of the agreement caused high commotion in the other Foreign Offices which instantly recognized it as a move in the game that concerned them all. There was consternation in St. Petersburg, and Lamsdorff complained of this "absolutely unexpected news." Only a few weeks previously he had been negotiating with the Marquis Ito who had given him no inkling of what was on foot. The Japanese Minister in St. Petersburg was in a specially painful position, and he explained mournfully to his French colleague that he had accepted his appointment on the express condition that he was to seek a friendly understanding with Russia, and had been left totally in the dark as to what was going on in Tokio. All the Japanese Ambassadors were in the same plight; not one of them had received a word from his Government. Lamsdorff did his utmost to get up a counter-demonstration, and in the end Russia and France issued a joint note which in vague and rather grandiose language intimated that in certain circumstances they might think it necessary to concert common action. The Germans, though privately sympathetic with

¹ Sir Michael Hicks Beach afterwards expressed the opinion that, if Salisbury had remained at the Foreign Office, the Treaty would not have been made. "Life" of Beach, II, 362.

Lamsdorff, declined to join in any public demonstration. On reflection they saw possible advantages to themselves in a transaction which kept Britain and Russia apart, and by increasing her difficulties in the Far East was likely to keep Russia out of mischief in Europe. Moreover, it would be unwise to put themselves wrong with Japan at a moment when German merchants and industrialists were doing their utmost to win her favour. Holstein, as usual, suspected a trap in Lamsdorff's proposal for a joint *démarche*, and the Russian was left complaining that it had been pigeon-holed without even the pretence of discussing it.

But the British stroke extorted an unwilling admiration from all these spectators. Lansdowne in these months earned the reputation of being one of the most skilful performers on the international stage, and British diplomacy won a new status among the professionals of Europe. It now began to be said that the apparent *naïveté* and floundering of British statesmen covered a deep cunning of which in future Europe would have to beware. The legend of the British Machiavelli which dogged Lansdowne's successor right up to the Great War may in fact be dated from this transaction. The British records may nevertheless be searched in vain to discover that either Lansdowne or his colleagues in the British Cabinet were alive to the serious and far-reaching consequences of the British-Japanese Alliance. The chief of these was that it prepared the way for the duel between Russia and Japan which was to send Russia back from the Far East to seek compensation and satisfaction in Europe for her defeat in Asia. In its ultimate consequences the British-Japanese Alliance stands out as one of the mile-posts on the road to 1914, but in January, 1902, no one thought it possible that Japan would have the temerity to challenge Russia, or that, if she did, she would do anything but seal her own doom.

CHAPTER XVI

GREAT BRITAIN AND GERMANY,

1899-1902

I

THE most permanent and far-reaching of all the consequences of the South African war was that it proved fatal to the wooing of Germany by Britain or Britain by Germany. The course of events which led to this conclusion needs careful study.

In May, 1899, when his overture to Count Hatzfeldt for a German Alliance were coldly received, Chamberlain threw out a hint that his assent to German Colonial policy must not be taken for granted. In the next few months he was rather better than his word, and with Australia and New Zealand behind him took strong objection to the German scheme for the partition of the Samoan Islands, and especially to their claim to include Apia and Upolu in the German sphere. His action was strictly in accord with the rules of the game of power politics as played by the Germans themselves, but it greatly complicated the Hatzfeldt negotiations and so angered the Kaiser that he went to the length of writing a private letter to Queen Victoria bitterly complaining of Lord Salisbury (who in this particular matter was less the culprit than his Colonial Secretary) and threatening to postpone his visit, arranged for the coming August, to Cowes. "This way of treating German feelings and interests," he said, "has come upon the people like an electric shock . . . the feeling has risen that Germany is despised by his (Lord Salisbury's) Government and this has stung my subjects to the quick. A pleasure trip to Cowes, after all that has happened and with respect to the temperature of public opinion here, is utterly impossible now."

The Queen wrote back with becoming spirit :

Your letter, I must say, has greatly astonished me. The tone in which you write about Lord Salisbury I can only attribute to a temporary irritation on your part, as I do not think you would otherwise have written in such a manner. And I doubt whether any Sovereign ever wrote in such terms to another Sovereign, and that Sovereign his own Grandmother, about her Prime Minister. I never should do such a thing, and I never personally attacked or complained of Prince Bismarck, though I knew well what a bitter enemy he was to England, and all the harm he did.

I naturally at once communicated your complaints against him to Lord Salisbury, and I now enclose a Memorandum which he has written for my information, which entirely refutes the accusations and which will show you that you are under a misapprehension.

Your visit to *Osborne*, not to *Cowes*, I looked upon as visit for my birthday, as I was not able to receive you on the day itself. I can only repeat that if you are able to come, I shall be happy to receive you at the end of August.¹

The Kaiser did not come to Cowes, and for several weeks longer Chamberlain stood his ground. On September 20, the eve of the Boer war, Baron Eckardstein, the German Chargé d'Affaires in London, had an angry interview with him. He "explained to him in clear terms the state of German opinion, and indicated that if England did not show more accommodation in this matter and consider his very moderate proposals, a change in Germany's foreign policy was inevitable, since the German Government, which had hitherto always shown itself loyal to England and tried to maintain friendly relations, would be driven in another direction by public opinion and he then inquired whether it was understood here what that would mean for England." This "exposition," said the Ambassador in reporting the interview, "seemed to affect Mr. Chamberlain unpleasantly; his calmness fell from him and he complained bitterly that Germany wanted to make capital out of England's embarrassments in South Africa"—a suggestion which the Baron repudiated as "ridiculous" since the German proposals had been made weeks earlier when war with the Transvaal was considered wholly improbable. Whereupon, according to the German report, "Mr. Chamberlain grew calmer and said he

¹ G.P., XIV, Vol. II, pp. 390 *et seq.*; Gooch and Temperley, Vol. I, Chap. III; "Letters of Queen Victoria," Third Series, Vol. III, p. 361; "Fifty Years of Europe," pp. 184-5.

recognized that good relations with Germany were worth more than these islands in the Pacific."¹

Etiquette required that the idea of one Power trying to make capital out of the embarrassments of another should be repudiated as ridiculous, but the German was of course aware that he was practising this method and Chamberlain that it was being practised upon him. Bülow, the German Foreign Secretary, gently rebuked his emissary for a certain crudeness which he detected in the report of this interview and warned him "not to let it appear as though we desire to exploit for ourselves the difficulties of the British whether actual or presumed." "As a matter of fact, however," he added, "we should be blamed for lack of diplomatic skill if we did not now obtain a satisfactory settlement of several of the questions outstanding between ourselves and England—especially that of Samoa."

Chamberlain—or the Government—took the hint. They were not prepared to have a quarrel with Germany running simultaneously with the war in South Africa, and wisely let it be known that they would clear out of the islands and let them be divided between Germany and the United States—an arrangement which was effected in the following year under the form of arbitration. The Kaiser was pacified, and the more so as, when the facts became known, it was judged that Great Britain had suffered a serious reverse at his hands; and he now decided to pay his postponed visit to his grandmother. He showed some courage in coming to England in November, 1899, for the South African war had now broken out and a stream of denunciation was descending upon Great Britain from the German public and press. It had to be explained that his visit was a purely private and domestic one paid in courtesy to his grandmother. Nevertheless, he took his Foreign Secretary, Bülow, with him to Windsor and events followed which had highly important results upon British-German relations.

2

The Kaiser arrived on November 20, and Chamberlain was among the guests invited to meet him—it may be said the principal guest, for Salisbury's wife died that very day and he was in deep mourning

¹ G.P., XIV (2), No. 4089.

at Hatfield. The Kaiser treated the Colonial Secretary with marked consideration and had long talks with him after the State banquet and again three days later. Undeterred by his recent experiences Chamberlain returned to his favourite theme, the desirability of an understanding between Britain, Germany and the United States. Drawing a bow at a venture, he suggested that in the event of a break-up of Morocco, Germany might have wide concessions on the Atlantic coast—an idea which, when mooted in later years, was to horrify the British Admiralty. But the chief business was with Bülow, with whom Chamberlain had long and searching talks. His main argument was that England needed Germany, and Germany England. He foresaw a time when both would be faced with Russian forces strengthened by hundreds of thousands of Chinese and Tartars drilled and led by Russian officers. For Germany, England and America to act together in defence of their common interests was essential. England would further German aspirations, economic or even colonial, in Asia Minor, if Germany were friendly to England at other points. He admitted that Salisbury was a very cautious statesman who wished to keep his hands free, but Balfour was inclined to a general understanding with Germany, and the Cabinet was well-disposed.

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In his dispatch describing these conversations Bülow represents himself as having received these overtures with decided coolness, but that was not Chamberlain's impression. He believed himself to have been encouraged by Bülow to ventilate his ideas in public, with the necessary implication that, if he did so, there would be a civil answer from Berlin. Accordingly, in a speech at Leicester on November 29, he proceeded once more and in his most exuberant style to launch his full scheme, again using the formidable word "Alliance." England, he asserted, "could no longer remain isolated on the continent" and "the most natural Alliance is that between us and the German Empire." From this he soared again to adding the United States to the combination and so forming a new Triple Alliance which would be "a still more momentous factor in the future of the world." Then he launched out into a violent attack on the French press for its abuse and caricatures which had "not spared the to us almost sacred

person of the Queen," and said that serious consequences would follow, "if our neighbours (the French) did not mend their manners."

The result was uproar all over Europe, and not least in Germany. "Frantic," says Ludwig, "was the answering cry. The bloodhound of the Transvaal is upon us; he would fain tear the Triple Alliance in pieces and exploit German friendship in Paris." A fortnight later Bülow had his opportunity in a speech in the Reichstag supporting the forthcoming Navy Bill, but instead of responding to the Leicester speech, he spoke with marked coolness of the British and German relations and was all smiles to Russia and France. He even suggested that it was wise and right to use England's difficulties to create German security. At the same time he sent a private intimation to Chamberlain that this speech was tactical and that his desire for an understanding remained as before. This was cold comfort to Chamberlain, who had made his speech in public on what he believed to be "the encouragement of the German Foreign Secretary. 'I will not,' he wrote to Eckardstein, 'express myself about the way in which Bülow has let me down. Anyhow I must abandon all further negotiations in the matter of the Alliance. . . . It really grieves me very much indeed. . . . Everything was going well; even Lord Salisbury was quite amicably inclined again, and of one mind with us with reference to the future relations of England with Germany. But alas, once more it was not to be.'"¹

4

Even this was not quite the end. The project flickered to life again when the Kaiser returned to England in January, 1901, to pay a last visit to the old Queen as she lay dying. Once more the unquenchable Colonial Secretary pressed his views and the Kaiser gave sufficient encouragement for Lansdowne, who was now Foreign Secretary, actually to draft an Anglo-German Convention. This provided (1) that if England was attacked by two Powers, say France and Russia, Germany, Austria and Italy should come to her assistance, and (2) if either Germany, Austria or Italy were attacked by two Powers,

¹ G.P., XV, No. 4398; Brandenburg from Bismarck to the Great War, p. 116 *et seq.*; Ludwig, Kaiser Wilhelm, p. 217; Eckardstein, "Ten Years at the Court of St. James's," Ch. VIII, pp. 132 *et seq.*

France and Russia, or France and Spain, England should come to her assistance. Upon this Salisbury observed that even if all the Powers were despotic and could promise anything they pleased, the bargain would still be a bad one for England, since the liability of having to defend German and Austrian frontiers against Russia and France was decidedly heavier than that of having to defend the British Isles against France. Chamberlain had been preinature in supposing that Salisbury was converted to his views, and with the Prime Minister passively resisting, the draft Convention went into a pigeon-hole and remained there.

It was characteristic of the Germans that as the British drew back, they came forward, and in the next few months the Kaiser appears to have realized the possible advantages of a British Alliance. In August he was asking impatiently why the negotiations in London made so little progress, and at the end of the month when King Edward visited him at Wilhelmshehe he fairly lost his temper. Vague and general phrases, he told his uncle, would not do. He must have "a firm agreement, paragraph by paragraph laid before Parliament and ratified before all the world and communicated to his Allies, without whom he did nothing." Let Britain take heed before she trusted to safety in isolation. There was looming ahead not only the hostility of France and Russia, but a new intimacy between Russia and the United States which could only be at her expense. There was also the fact, which he was told had made "an extraordinary impression" in England, that after his visit to France the Tsar had expressed a wish to see the German Chancellor. King Edward was left to infer what would happen to England if she persisted in "sitting out," while her neighbours pursued this giddy dance.

King Edward was not impressed, and this rough wooing was as little to the taste of his Ministers as Chamberlain's impetuous advances had been to the Germans. By this time the Kaiser had a grievance, or rather the whole bundle of grievances which seven years later he poured out in his interview with the *Daily Telegraph*. He had persisted in his visits to England, in spite of the objections of his Ministers and subjects; he had put his veto, or so he said, on the Russian project of a Continental coalition to press England to peace;¹ he

¹ For evidence on this point and Germany's action generally in the affairs of South Africa see the author's "Fifty Years of Europe," pp. 190-2.

had turned Mr. Kruger from Berlin and forbidden him to agitate in Germany. For all this he had received no thanks, but only buffets, from England who still supposed that she could do what she chose and snap her fingers at the rest of the world. The Kaiser could scarcely have been unaware that the "definite binding Treaty," the "firm agreement paragraph by paragraph" which he demanded was of all things the most impossible in the autumn and winter of 1901. Press and people were raging at one another in both countries; the alleged inhumanity of British to Boer was the daily theme of lurid articles in German newspapers. In such an atmosphere the last thing that could have been proposed to the British Parliament was that Great Britain should depart from her traditional policy to enter into a binding treaty with Germany, and the last thing that the German Reichstag or public was likely to approve was a new and sudden intimacy with the "bloodhounds of the Transvaal."

Chamberlain himself delivered the final blow in a speech at Edinburgh at the end of November in which he said that if it were necessary to find precedents for greater severity in dealing with the Boers, they could easily be discovered "in the action of those nations, who now criticize our 'barbarity' and 'cruelty,' but whose example in Poland, in the Caucasus, in Algeria, in Tongking, in Bosnia, in the Franco-German war—whose example we have never approached." It was a random shot aimed indiscriminately at all the nations, but the Germans chose to take it as specially intended for them, and the cry went up that the German army had been defamed and the German people insulted. On January 8 of the following year (1902) Bülow replied in the Reichstag with a speech in which he spoke of the "profound resentment" caused by Chamberlain's speech, and quoted Frederick the Great's reply to an attack on the Prussian army, "Let the man alone, don't excite yourselves, he is biting on granite." Three days later Chamberlain retorted angrily, "What I have said, I have said. I withdraw nothing, I qualify nothing, I defend nothing. . . . I do not want to give lessons to a foreign Minister, and I will not accept any at his hands. I am responsible only to my own Sovereign and my own countrymen." This was the end of the German Alliance project and it was never revived.

We may pause here to consider the realities and responsibilities behind the bewildering diplomatic manœuvres of these years. On the personal issues both sides had their case, Chamberlain that he had been thrown over by Bülow, Bülow that by forcing his hands Chamberlain had placed him in an impossible position with the German public. Between the two, it may be said that Bülow's snub to Chamberlain went far beyond the necessities of the case without denying that Chamberlain had placed him in an extremely embarrassing position. The Emperor had braved much opposition in visiting the Queen in November, 1899, and special objection had been taken to his being accompanied by his Foreign Secretary on what had been declared to be a purely private and domestic occasion. All that Bülow appears to have said to Chamberlain about any communication to the public was to "express a wish that he (Chamberlain) might be able at some time to say something as to the mutual interests which bound the United States to a triple understanding with Germany as well as Great Britain," and he could scarcely have expected that on the strength of this Chamberlain would have proceeded at once to the public embrace of the Leicester speech with its talk of an "alliance between ourselves and the great German Empire" and a "combination in arms" of Britain, Germany and the United States. A very slight knowledge of the state of opinion in Germany and of the circumstances of the Kaiser's visit should have enabled Chamberlain to foresee the storm in Germany to which Bülow would be exposed by any forcing of the issue at this moment.

The Kaiser's hectoring methods in the following year was as little calculated as Chamberlain's impetuous advance to produce the desired result. To speak of the Kaiser as deliberately insincere would probably be to misjudge him. He was driven in these months by incompatible aims and motives, and was liable to be swayed by each in turn or even both at the same time without being conscious of their incongruity. Undoubtedly he saw some advantages in being on good terms with Great Britain and was willing to brave the wrath of his people to avoid a breach with her during the Boer war. To that extent he had learnt the lesson of his fruitless intervention after the Jameson

Raid. But he had also learnt another lesson, or at least drawn another conclusion, from the same experience—viz. that to be even with Great Britain Germany must have a great fleet. This through all his changing moods was the abiding lesson, and the years 1899-1902 were precisely those which offered him the most favourable opportunity of carrying it into practice. The great Navy¹ Bill of 1900 inaugurating the competition of the two Powers was on the stocks; its famous risk clause¹ left no doubt that the Power armed at was Great Britain; the anti-British feeling stoked up by the Boer war

¹ This defined the object of the Bill of 1900 as being.

To protect the Empire's sea trade and colonies, in view of present circumstances only one method can avail—Germany must have a battle fleet so strong that even the adversary possessed of the greatest sea-power will attack it only with grave risk to himself.

For our purpose it is not absolutely necessary that the German battle fleet should be as strong as that of the *greatest naval Power*, for as a rule a great *naval Power* will not be able to direct his whole striking force upon us. But even if it should succeed in meeting us with considerably superiority of strength the defeat of a strong German fleet would so substantially weaken the enemy that in spite of a victory he might have obtained his own position in the world would no longer be secured by an adequate fleet.

Asquith quotes ("Genesis of the War," p. 72) Admiral von der Goltz as explaining these clauses in the following terms:

"Let us consider the case of a war with England. In spite of what many people think, there is nothing improbable in it owing to the animosity which exists in our country towards England and to the sentiments of the British nation towards all Continental Powers and in particular against Germany. . . . The opinion is generally held in this country that any resistance against England at sea would be impossible and that all our naval preparations are but wasted efforts. It is time that this childish fear which would put a stop to all our progress should be pulled up by the roots and destroyed. . . . The maritime superiority of Great Britain, overwhelming now, will certainly remain considerable in the future, but she is compelled to scatter her forces all over the world. In the event of war in home waters the greater part of the foreign squadrons would no doubt be recalled; but that would be a matter of time, and then all the stations overseas could not be abandoned. On the other hand, the German fleet, though much smaller, can remain concentrated in European waters. With the increases about to be made it will be in a position to measure its strength with the ordinary British naval forces in home waters."

provided exactly the steam⁴ needed for the naval propaganda. What better illustration could there be of Germany's imperative need of naval power than the "brutal conduct" of British Commanders in seizing the German steamer *Bundesrath*, and refusing to release her though she had no contraband on board? (Dec., 1899). Honour and self-respect required that a great country should be provided with the means of preventing these outrages, whereas Germany had to stand helpless, while ship after ship was seized in the teeth of her protest. The argument was effective, but there could be no permanent basis for friendly relations—let alone alliances or written conventions—between the two countries, if to challenge Britain at sea was part of the settled policy of Germany, and in these years the choice had definitely to be made between the two things. Bülow to all intents and purposes made the choice when he replied to Chamberlain's Leicester speech with his speech in the Reichstag on the Navy Bill, and when British friendship and the German Navy were in the balance, there never was any doubt which the Kaiser would choose. In March, 1900, he wrote to the Queen of Holland explaining that his weakness made it impossible for him to take part in any collective action on behalf of the Boers. He added, however, "it is an interest of world peace as well as of the Dutch-Friesian races that there should be a mighty (German) fleet on the sea. . . . Till then silence and work."

6

Germany was now entering what Bülow afterwards called the "danger-zone"—the period in which the strongest naval Power might, if it were so disposed, attack and destroy the infant naval Power before it was strong enough to make that operation formidable. The Kaiser and his Chancellor had, therefore, the delicate task of not giving too great offence, while they exploited the anti-British feeling of their country for their naval purpose. Thus, in January, 1902, when King Edward took a hand at the time of the last bout between Chamberlain and Bülow, and wrote saying that in view of "the violent speeches in the Reichstag" against England, and "especially against my Colonial Secretary and my Army," he thought the Prince of Wales had better postpone a projected visit to Berlin, "where he was liable to be insulted or treated by the public in a

manner which no one would regret more than yourself," the Kaiser immediately wrote begging that the Prince would come and promising him a cordial reception. The Prince went, and nothing untoward happened. The civilities were all that could be desired; speakers were found to praise the British Army in the Reichstag and some newspapers even echoed these compliments.

There was now a lull in the storm and various efforts were made to ease a situation which the official world on both sides had begun to think too dangerous. Lord Roberts, the British Commander-in-Chief, and Brodrick, the Secretary for War, attended the German manœuvres in the autumn of 1902, and a little later the Kaiser visited the King at Sandringham, stayed with Lord Lonsdale at Lowther Castle, and called on Lord Rosebery at Dalmeny. The results were not encouraging. When it was announced that political consequences were likely to follow from the Kaiser's visit, English newspapers of all parties broke out into protests and exhorted the Government not to fall again under the German yoke. There was little fear of it if we may judge from the account which the Kaiser wrote to Bülow of an interview he had with Chamberlain at Sandringham. The British Minister, he reported, was bitterly incensed with Bülow and German Ministers for the manner in which he supposed himself to have been duped, and judged the whole of German policy from that point of view. Directly or indirectly he was inciting the Press to attack Germany and using his influence for that purpose. The Government was dancing to his piping and dared do nothing without him or against him.¹ Such being the circumstances, there was nothing to be done about them at the moment. The Kaiser advised caution. "Here they have thirty-three battleships in commission, and we eight. In the year 1905 England will have 196 new battleships, cruisers, and battle-cruisers ready to put into commission to our 46."

Worse was to follow. When the Kaiser left Sandringham he believed himself to have received an assurance from King Edward that the British Government would act with the German in putting pressure upon Venezuela, which under her notorious President, Castro, was again giving trouble to foreign residents. On December 7, 1902, it was announced that British, German and Italian warships were engaged

¹ G.P., XVII, pp. 115-16.

in a joint blockade of the Venezuelan coast, and reports followed that they were capturing and sinking Venezuelan gunboats. As in 1895, so again in 1902, the United States objected, and on its becoming known that complications threatened with Washington, a storm broke out in the British press. Was it possible that after their warning in 1895 Ministers were again imperilling their relations with the United States for the sake of this trivial debt-collecting expedition in company with the Germans? This time, seeing the drift of opinion in England, the American President applied his mailed fist to the Germans, and greatly alarmed and astonished the Kaiser by threatening to send American warships to shell German gunboats unless they withdrew. They did withdraw, and all that the British public knew about it at the time was that the dispute had been referred by general consent to The Hague Court of Arbitration. The incident, nevertheless, was a sharp warning to the Government of the public mood about relations with Germany.

7

In the meantime the irritating question of the Bagdad railway had passed into one of its acute phases. In 1899 the Anatolian Railway Company, a German concern, whose line ran from Haidar Pasha (opposite Constantinople) to Konieh in Asia Minor, had obtained a concession from the Turk to extend its line to Bagdad and the Persian Gulf. The company professed to be anxious that British capital should participate, and Balfour and Lansdowne had on the whole been favourable to the idea. Their view was that the line would be built in any case, and that the best way to guard British interests was to obtain a share in the control. At the worst they considered themselves well-armed to protect these interests by the fact that their consent was necessary before any part of the Turkish Customs revenue could be appropriated to the Turkish "kilometre guarantee" which was essential to the scheme.

This view encountered strong opposition in the Unionist party and in the Press generally. Ever since the German company had obtained its concession, a powerful group of writers had been at work warning the Government not only to keep clear of it but to resist it by all means in their power. It was said to be part of a grandiose project

to spread German trade and influence at the expense of British through Asia Minor and across Arabia to the Persian Gulf, and on the Persian Gulf to establish a base for operations against India. For a British Government to take part in a scheme so evidently aimed at British interests would, they said, be the height of simplicity and folly. Nevertheless, Lansdowne told Sir Ernest Cassel at the beginning of February, 1903, that Ministers were "favourably disposed towards the project" and would "regard it as most undesirable that it should be carried on without our concurrence and without a sufficient participation on the part of this country in the construction, administration and control of the line." Their view was still that the railway would be constructed, even if we opposed it, and that we had better take part in an enterprise which we could not prevent.

This was not the view of the Government of India which greatly disliked the idea of a German approach to the Persian Gulf, and wished the home Government to forestall the Germans by proclaiming a Protectorate over Koweit—the projected terminus on the Gulf of the proposed railway. British Ministers declined this as too embarrassing, but concluded a secret agreement with the Sheikh of Koweit, who pledged himself to cede no territory and receive no foreign representative without the sanction of His Majesty's Government. Rumours of these operations brought a strong protest from the German Government, which intimated that it would consider the proclamation of a Protectorate over territory which it held to be part of the Ottoman Dominions an "unfriendly act" and an infraction of the Treaty of Berlin. Lansdowne replied that the British Government had no intention of proclaiming a Protectorate and went so far as to say that they would not object to Koweit being made the terminus of the railway, provided a previous understanding had been reached with them, and that "certain agreements" which they had with the Sheikh were respected.

Between the objections of the Government of India, the opposition of his own party, and the campaign in the Press, Lansdowne now found himself in a position of great difficulty, and in the next few weeks he was in full retreat. On April 23, 1903, the Prime Minister announced in the House of Commons that the proposals made to them did not give sufficient security for the international control of the line and

the prevention of preferential treatment being given to one Power. They had therefore decided that they could not give the assurances for which they had been asked, either as to the conveyance of the Indian mails and facilities at Koweit, or the appropriation of a part of the Turkish Customs revenue in aid of the chilometric guarantee. The Convention between the Porte and the Anatolian Railway Company, said Balfour, "left the whole scheme of railway development through Asia Minor to the Persian Gulf entirely in the hands of a Company under German control. To such a Convention His Majesty's Government had never been asked to consent and could not in any case be a party."¹

The Germans could reasonably retort when they read this that there was nothing in the Convention which was not known to Lansdowne, when he expressed his approval of the scheme, and held out hopes of British participation. The truth was only too evidently that he had yielded to the strong popular feeling against any sort of co-operation with Germany.

Anglo-German relations were now worse than ever. Newspapers and public men of both parties were demanding assurances from the Government that there existed no alliance or secret understanding with the Germans such as they had seemed to be inviting in the previous years. By this time the meaning of the German Navy Bill of 1900 was coming home to the British Admiralty and the British people. When the naval estimates were introduced in the session of 1903, the Prime Minister announced that a new naval base was to be established in the North Sea at the entrance of the Firth of Forth. This was the first step in the new distribution of the fleet which during the next eleven years was to keep the British people reminded whence, if danger threatened, it was expected to come. At the same time Lord Cawdor, who was now First Lord of the Admiralty, inaugurated the new Dreadnought type of battleship designed by the First Sea-Lord, Sir John Fisher, and foreshadowed a large construction of this type which it was expected would throw all others out of date.

¹ The question entered into the Colonial agreement reached between the British and German Governments a few months before the war, and would have been settled if the war had not intervened, by leaving the construction and control of the line from Bagdad to the Persian Gulf in British hands.

The project of an Alliance which had been adjourned at the end of 1901 on the plea that British Ministers were taking holiday had by this time entirely disappeared. The "firm agreement, paragraph by paragraph, laid before Parliament, ratified before all the world and communicated to my Allies" which, as the Kaiser had told King Edward in August, 1901, was what he required, was by the beginning of 1903 the last thing that the Minister of either country could have proposed to his Parliament. British Ministers were now to look elsewhere for a friend.

CHAPTER XVII
THE NEGOTIATED PEACE

1902

I

THE belief, in which the election of 1900 had been held, that the South African war was over or "virtually over" proved to be an illusion in the following months. By all the rules of orthodox warfare, it ought to have been over. The Boer capitals had been occupied, their machinery of government destroyed and their armies broken up. There should, according to the text-books, have been nothing more to do but impose the terms of peace. So the Government expected when Roberts had cleared the Transvaal up to the Portuguese border, and still more when he returned to England in September and was received in triumph as though his mission had been accomplished.

But the Boers were no ordinary enemy, and the dispersal of their armies proved to be the beginning of a harassing guerrilla warfare which dragged on for another eighteen months. Knowing the ground intimately and being well supplied with ponies and rifles, the Boer Generals, Botha, De Wet, De la Rey, Smuts, Hertzog, performed miracles of rapid movement, sudden attack and as sudden retreat, inflicting many mortifying reverses upon British Generals who were unused to this kind of warfare, and only very slowly learnt the way of dealing with it. The Boers raided outposts, captured convoys, cut lines of communication and vanished into space before the columns sent to pursue them. De Wet was always being hunted and always escaping and turning up again where he was least expected. Botha, in a more organized form of warfare, held his own for many months in the Northern Transvaal, and at the end of 1900 made a daring attack

on the Middelburg Railway. De la R y and Beyers had similar successes in the Western Transvaal, and Beyers crossed the line between Johannesburg and Pretoria without being caught. By the end of 1900 the war was so far from being over that the War Office announced its intention of sending out 30,000 more mounted men. A modern army equipped with aeroplanes would have located and destroyed the Boer commandoes in a few weeks ; the army of 1900 hunted them wildly and blindly for nearly two years over a country half as big as Europe.

At the beginning of 1900 Kitchener adopted the policy of " farm-burning " and hoped by devastating the principal areas of operations and depriving the fighting men of shelter and provisions to force them to surrender. This had no great success, and added to the bitterness of the conflict. It was necessary to establish concentration camps for the women and children rendered homeless, but difficult to improvise these with the resources at the disposal of the army. Many proved to be insanitary ; epidemics broke out and the mortality among women and children was heavy. In the meantime the Boers continued their raids into Natal and Cape Colony, and the attitude of the Cape Dutch was always an anxiety. In February, 1900, De Wet crossed the Orange River and invaded the Cape Colony with a force of 3,000 men, and though he was driven back with heavy losses it required a considerable force to deal with him. From this time onwards the attitude of the Natal and Cape rebels and the proper way of dealing with them were among the chief subjects of contention and the most serious obstacle to peace. At the end of February, after the repulse of De Wet, Botha opened up negotiations with Kitchener and met him under a safe conduct at Middelburg in the Transvaal, but their parleys broke down on the question of the treatment of these rebels. The Middelburg negotiations revealed strong differences between Kitchener and Milner as to the proper way of ending the war. Milner was for complete conquest and unconditional surrender as a preliminary to negotiations ; Kitchener held that an amnesty to Colonial rebels and moderate terms, including acceptance of the liabilities of the Boer States and generous help in the resettlement after the war, would be wise and statesmanlike, and a great help to pacification. After fourteen months' more fighting Kitchener's view

was to win general acceptance¹, but at the time the home Government upheld Milner. Brodrick, now Secretary for War, wrote to Kitchener :

We are all very much opposed to a complete amnesty to Cape and Natal rebels. The feeling is that it will be a surviving reproach to us. The loyalists at least have surely a right to see a very moderate Cape punishment inflicted on rebels. Is it not likely that with one more turn of the military screw they will be ready for submission ?

Kitchener, his biographer tells us, "had justifiable misgivings as to whether the war, with all its misery and all its waste was not being continued merely to put two or three hundred Dutchmen in prison at the end of it."¹

The military screw was to be turned many times before the combatants got back to the Middelburg position. Kitchener now tried the plan of surrounding the principal fighting areas with chains of blockhouses. This so far succeeded that a larger part of the Transvaal became relatively quiet and certain mines resumed working. But elsewhere raids and pursuits continued with varying fortunes for another ten months. Botha raided into Natal, and later, after a hair-breadth escape, defeated a column under Colonel Benson, the Colonel himself being killed ; Smuts and De Wet swept again into Cape Colony, and did their utmost to stir up the Cape Dutch ; De la Rey severely handled Colonel Kekewich's column at Moedville, and on Christmas Eve De Wet captured a large force of Yeomanry at Tweefontein. But in spite of these exploits the Boer power was declining at the end of the year, and the completion of the blockhouses released the British columns from their dependence on the railway, and enabled Kitchener to undertake the series of drives across country in the Orange River Colony, the Transvaal, and the disturbed areas of the Cape, which ended the war. The Boers fought stubbornly to the end, and had a final success in the capture of Lord Methuen and his column at Tweebosch on March 6, 1902. In the last stage the Free State Boers were even more irreconcilable than the Transvaalers, and ex-President Steyn and De Wet continued to protest against parleying with the British on any basis short of saving the independence of the two

¹ "Life of Kitchener," Vol. II, p. 26.

Republics. Botha, Schalk Burger and Smuts, the leading spirits in the Transvaal, knew this to be past praying for, and set themselves in a practical spirit to end the war on the best terms available. In the second week of March the Boers asked leave to hold a conference at Vereeniging on the border of the Orange State, and there for three days a fierce battle was fought out between those who were for peace, and those who were still for fighting to the death. The peace party prevailed, and a Commission, composed of Botha, De la Rcy and De Wet, together with Smuts and Hertzog, was deputed to negotiate at Pretoria with plenary powers to act as seemed best (March 23, 1902).

2

British opinion had changed considerably in the last phase of the war. The public and the newspapers had at times been very angry with British Generals, some of whom seemed to have a positive genius for walking into the traps that the Boers laid for them. Wrath fell specially upon Lansdowne, the Secretary for War, and Salisbury wisely promoted him to be Foreign Secretary when he himself laid down that office in 1901. A lampoon by Saki in which Lansdowne figured as the White Knight in "Alice in Wonderland" tickled the public fancy :

"You see I had read a book written by someone to prove that warfare under modern conditions is impossible. You may imagine how disturbing that was to a man of my profession. Many men would have thrown up the whole thing and gone home. But I grappled with the situation. You will never guess what I did."

Alice pondered. "You went to war, of course——"

"Yes, but not under modern conditions."

The Knight stopped his horse so that he might enjoy the full effect of this announcement.

"Now, for instance," he continued kindly, seeing that Alice had not recovered her breath, "you observe this little short-range gun that I have hanging to my saddle? Why do you suppose that I have sent out guns of that particular kind? Because, if they happened to fall into the hands of the enemy, they'd be very little use to him. That was my own invention."¹

¹ "Life, Journalism and Politics," Vol. I, p. 94.

Kipling had described the British soldier as an "absent-minded beggar," and the newspapers picked up the phrase and dubbed the war "the absent-minded war." At the same time there grew up a feeling of respect, and even of admiration for the men who were fighting thus stubbornly against the might of the British Army. "Good old De Wet" was a cry heard not infrequently when it was announced that he had got away for the twentieth time. Large numbers began to realize that this war differed from all ordinary wars in that when it was over conquerors and conquered would have to live together afterwards as citizens of the same Commonwealth, and pleaded for an end to it which would inflict the least mortification upon the defeated.

3

Thus in December, 1901, when Lord Rosebery broke a long silence with a speech at Chesterfield pleading powerfully for a negotiated peace as against the unconditional surrender upon which Sir Alfred (now Lord) Milner was supposed still to be insisting with the support of the South African British and the militant Conservatives at home, he met with an unexpected response. The mood of the Khaki Election had passed, and in the next few weeks it was clear that the Government would have the country behind them if they spared the Boers all that could reasonably be spared them.

The negotiations which followed the surrender of the Boers reflected this mood. The settlement was effected not by an act of submission but by a joint treaty in which the Boer signatories were described as acting on behalf of the Republics. But the burghers undertook to lay down their arms and "to desist from any further resistance to the authority of His Majesty Edward VII whom they recognize as their lawful sovereign." The form may seem unimportant, but to the Boers at this moment the difference between a treaty and a dictated peace seemed vital, and it was also in the long run to the advantage of Great Britain that they should have placed themselves under the obligation of observing a treaty.

But this concession was not obtained without a struggle. Milner held strongly that conquest and the acknowledgment of it should precede all negotiations for peace. He also took objection to men like

Botha, De la Rey, De Wet, Hertzog, Schalk Burger, and Steyn, who had been outlawed in both their civil and military capacities by a proclamation of the previous year, being accepted as delegates to the Peace Conference. He yielded reluctantly, for it was plain that there could be no negotiations at all except with these men. A final point, which Kitchener described as "deepest waters," was the payment of the debts, receipts and war losses of the late Republics. The original British offer was for a million, which left out of account the receipts issued by the Free State. Milner saw no reason why we should "pay the expenses of a war waged against us," and stood out against any modification. For a day or more it seemed as if negotiations would be broken off at this point, but Kitchener strongly urged the Government to promise three millions, and this sum was granted *ex gratia*. Kitchener, as his biographer puts it, was "determined that the chances of reconciliation should not be vitiated by any haggling over a petty question of cash."

The Boers gave way on the point on which they had insisted in the Middelburg negotiations, and left the fate of the Cape and Natal rebels to be settled by the Colonial Governments, but there was by this time no doubt that they would be treated leniently. The peace was signed at 10.30 on the evening of May 31, 1902, and after two and a half years the war was over. It had cost Great Britain 5,700 killed in action, 16,000 dead from wounds and sickness, and 22,800 wounded, and added £250,000,000 to the National Debt. From first to last 448,000 British troops had been engaged in South Africa. By the standard of the time it was a great and costly war, and was often so described. The cost was felt the more because there was little glory to be won and much odium to be incurred in the defeat of two small rural communities.

4

The end of the war left British politics in great confusion. Ministers had lost caste, and the public were greatly troubled by the lack of foresight which they seemed to have displayed and the weakness of the military machine for which they were responsible. But their opponents had not gained in popular favour, and seemed incapable of rallying to a common policy or an acceptable leader. The Liberal

sections had closed their ranks and fought a defensive action in 1900; and good party men hoped their schisms would now be healed. The very contrary proved the case. The continuation of the war brought worse consequences, the Liberal Imperialists hardening in their defence of Milner and his administration at the Cape, the pro-Boers hotly assailing the suspension of the Cape Constitution, the proclamation of martial law and other strong measures which he thought essential.

Campbell-Bannerman, who till then had done his utmost to steer a middle course, now leant more and more to the pro-Boers, and became a warm advocate of peace by conciliation in opposition to the fight to the finish and unconditional surrender, which was still the policy of Chamberlain and Milner and, so far as anyone knew, of the whole Cabinet. In June, 1901, he was deeply moved by the stories brought to him of the sufferings of Boer women and children in the concentration camps which had been established to house the refugees rendered homeless by the burning of the enemy's farms, and in a speech at the Holborn Restaurant he broke out against what he characterized as "methods of barbarism." This brought a storm about his head. He was said to have insulted the British Army, defamed the British people, and rendered himself for ever impossible as the leader of a great party. Such a stream of denunciation scarcely descended even on Cobden and Bright in the height of their patriotic enthusiasm for the Crimean War. He was implor- ed to withdraw the phrase, to explain that the interpretation put upon it was erroneous, somehow to put himself right. He was impatient. The utmost he could be induced to say was that it was the policy which that he condemned, not the officers and soldiers who were ordered to carry it out.

This brought the Liberal Imperialists into the field, and in the next fortnight there were dinners and counter-dinners at which the two sections anathematized one another—the "war to the bitter end," as Henry Lucy, the "Toby M.P." of *Punch*, wittily said. Then Campbell-Bannerman summoned a meeting of Liberal Members of Parliament and put to them the plain question, did they intend to remain leader? Would they renew their confidence in him? He answered that they knew him with "methods of barbarism" and his famous

on his head, or would they say plainly that he had forfeited their trust? The answer was a unanimous vote of confidence, in which the Liberal Imperialists joined, while claiming their right to criticize.

An uneasy truce was kept between the sections until the end of the year 1901, when fresh trouble set in. Hopes ran high among the rank and file that Rosebery's Chesterfield speech pleading for a moderate peace and a Liberal policy in South Africa would heal the feud among the leaders, but this, as it turned out, was by no means the intention of that brilliant and wayward orator. Having to all appearances united the Liberal party about South Africa, he now proceeded to open a fresh quarrel about its domestic policy. At Chesterfield he had advised the party to "clean its slate"—a vague expression which might mean little or nothing. But in subsequent speeches he made it clear that he meant to pass the sponge over Home Rule and a good deal else that was inscribed in the Liberal programme. Campbell-Bannerman retorted that the "clean slate" looked very like a "white sheet," and Rosebery retaliated with a letter to *The Times* in which he announced his "definite separation" from Campbell-Bannerman. In his Chesterfield speech he had spoken of himself as ploughing a lonely furrow"; now he said that though he stood outside Campbell-Bannerman's "tabernacle," he would not, he thought, be solitude (Feb. 5).

The meaning of this was made clear a few weeks later by the formation of an organization called the "Liberal League" to support Balfour's views, with three of Campbell-Bannerman's principal advisers, Asquith, Grey and Sir Henry Fowler, as Vice-Presidents. At its first appearances it intended to challenge the official organization, but it announced its intention of running candidates and conducting propaganda of its own. During the next three weeks the Liberal party came near a definite schism which, had it gone forward, might irreversibly have changed the future careers of both Asquith and Grey, with incalculable consequences to the history of the country and of the world.

What was to go forward. At this point the rank and file of the party rallied themselves powerfully against proceedings which they judged reckless and factious. What demon of mischief, they asked, had possessed the Liberal leaders, that just when they were getting to

the end of their South African troubles, they should choose to start a new and entirely symmetrical quarrel about the "dean date." The formation of the Liberal League, many feared, had divided the Liberal Imperialists, for a considerable number of these were staunch Home Rule and Landless vote voters and he was inclined to "join their side" of Home Rule or other radical measures. These and other intimations led to the fact that they would not join any schismatic movement and at the same time consistent warned their members but would avoid them if they commenced any movement which threatened to split the party.

The danger had passed after three weeks. Asquith, who had never lost touch with Campbell-Bannerman, acted as pacemaker, and explained in a public speech that the League had none of the intentions imputed to it and that neither he nor any of his members would countenance proceedings which were hostile or aggressive to the main body of the party. Campbell, who was "definite separation" from that main body, the League had apparently been founded to support, now described it as a defensive organization to prevent the Liberals from being "drummed out of the Liberal party." In subsequent months there was occasional friction between the official leader and the League, but when the war ended and normal politics were resumed, it gradually faded out of sight and soon was lost even to the Presidents, appearing to have forgotten its existence.

But in the six months between his Fishburn Restaurant speech and the end of the war Campbell-Bannerman had won the support which made him undisputed leader of the Liberal party and assured his succession as Prime Minister. Before that time he was still on very uncertain ground. He had no Parliamentary accomplishment at all comparable to those of Balfour or Asquith, and though his carefully prepared platform speeches read well, they did not move or stir as those of the great orators. Large numbers thought that he would never fill the gap till Asquith returned or Asquith was ready. But in these months he had come to be regarded as a man of firm character and strong will who could not be intimidated by any passing clamour. Many who objected strongly to his famous

or notorious phrase "methods of barbarism" as applied to the system of farm-burning and concentration camps in South Africa yet recognized that he spoke under a genuine emotion, and held him in respect for having refused to withdraw or extenuate in the storm that followed. He seemed to have the courage which an immense number who are not politicians admire in a political leader.

Rosebery, with all his brilliance, mystified and irritated the Liberal party. Not even his intimates knew what he would do next, and it often seemed uncertain whether he knew himself. By contrast Campbell-Bannerman shone as the plain man who always knew his mind. He held the quite simple philosophy of the party system as it was understood in these times. There was something called Liberalism, and there was something called Toryism; there were times when the country wanted the one and times when it wanted the other, but there was never a time when it wanted something between the two. Thus for a Liberal to dilute his doctrine (or "clean his slate") in the hope of appeasing national sentiment was folly, for when the tide turned, as presently it would, he would be found to have entangled himself with the very thing that the country wished to be rid of. He was confident that the tide would turn when the South African war ended, and that the country would then want the robust kind of Liberalism which had weathered without bending to the storms of 1899 and 1900. If so the Liberal Leaguers were trimming their sails to the wrong gale. The vast majority of Liberals shared these views, and "C.B.," as he was affectionately called, had from this time onwards a place in their affections which was proof against any effort to dislodge him.

6

The King's Coronation fixed for June 26, 1902, had to be postponed to August 9 in consequence of his sudden and serious illness which necessitated an immediate operation. Between the two dates another reign was ended by the resignation of Lord Salisbury, who slipped from the scene almost unobserved on July 11 when all thoughts were centred on the King's illness. Salisbury, like Queen Victoria, had become an institution, having been Prime Minister for thirteen out of the previous sixteen years, and for the greater part of the time

Foreign Secretary as well. * Hating all show and advertisement, he lived largely within his own park walls, and his personality was little if at all known to the public. He was a sincerely religious man, but also had a taste for science which gave a certain originality to his religious ideas. He was supposed to have said that he found it easier to accept Christian miracles than Christian ethics. *Omne ignotum pro magnifico* contributed a little to his massive reputation, but he was immensely respected, and since at the end of his life he had had a longer experience than any statesman in any country, his presence at the head of affairs inspired confidence. Credit and confidence and the necessity of avoiding all rash and splashing policies which might disturb them were the constant themes of his speeches on domestic politics ; but he seasoned these unexciting topics with a dry humour ; and he had a habit of thinking out loud which his friends found embarrassing and which led him into what opponents described as " blazing indiscretions." He called a respected Indian who had been elected to Parliament a " black man " ; he said he thought village circuses would be more acceptable than parish councils ; he described the anti-Russian policy of his party as " staking money on the wrong horse," and observed that much of the territory in Asia and Africa which Imperialists wished to annex was " very thin soil." When he ceded Heligoland to the Germans, as already related, he told the German Ambassador he could not imagine why anyone should want it, for, according to his information, it was being undermined by the sea and would shortly disappear.

John Morley, who prided himself on being a little-Englander and a pacifist, said that Salisbury was his ideal Foreign Secretary, and he was supposed in his last years to be fighting a stubborn rear-guard action against Chamberlain and the advanced Imperialists of his Cabinet. In the end he stood almost alone as the advocate of splendid isolation. In 1898 Chamberlain told the German Ambassador that a majority of the Cabinet was in favour of a German, and a minority of a French Alliance. Salisbury was of neither school. He evaded Bismarck when Germany was seeking an alliance ; he looked coldly on Chamberlain's wooing of Germany in 1899, and imposed his veto when the Kaiser returned to the subject in the following year. A memorandum that he wrote in 1900 on the draft prepared by the

Foreign Office for a possible German⁷ Alliance remains the last authoritative exposition of the traditional policy :

Count Hatzfeldt speaks of our "isolation" as constituting a serious danger for us. *Have we ever felt that danger practically?* If we had succumbed in the Revolutionary war our fall would not have been due to our isolation. We had many Allies, but they would not have saved us if the French Emperor had been able to command the Channel. Except during his reign we have never been in danger ; and therefore it is impossible for us to judge whether the "isolation" under which we are supposed to suffer does not contain in it any elements of peril. It would hardly be wise to incur novel and most onerous obligations, in order to guard against a *danger in whose existence we have no historical reason for believing.*

But though the proposed arrangement, even from this point of view, does not seem to me admissible, these are not by any means the weightiest objections that can be judged against it. The fatal circumstance is that neither we nor the Germans are competent to declare war, for any purpose, unless it is a purpose of which the electors of this country would approve. If the Government promised to declare war for an object which did not commend itself to public opinion, the promise would be repudiated and the Government would be turned out. I do not see how, in common honesty, we could invite other nations to rely upon our aid in a struggle, which must be formidable and probably supreme, when we have no means whatever of knowing what may be the humour of our people in circumstances which cannot be foreseen. We might, to some extent, divest ourselves of the full responsibility of such a step, *by laying our Agreement with the Triple Alliance before Parliament* as soon as it is concluded. But there are very grave objections to such a course, and I do not understand it to be recommended by the German Ambassador.

The impropriety of attempting to determine by a *secret contract* the future conduct of a Representative Assembly upon an issue of peace or war would apply to German policy as much as English, only that the German Parliament would probably pay more deference to the opinion of their Executive than would be done by the English Parliament. But a *promise of defensive alliance with England would excite bitter rumours in every rank of German society*—if we may trust the indications of German sentiment, which we have had an opportunity of witnessing during the last two years.

It would not be safe to stake any important national interest upon the fidelity with which, in case of national exigency, either country could be trusted to fulfil the obligations of the Alliance, if the Agreement had been concluded without the assent of its Parliament.

Several times during the last sixteen years Count Hatzfeldt has tried to elicit from me, in conversations, some opinion as to the probable conduct of England, if Germany or Italy were involved in war with France. I have always replied that no English Minister could venture on such a forecast. The course of the English Government in such a crisis must depend on the view taken by public opinion in this country, and public opinion would be largely, if not exclusively, governed by the nature of the *casus belli*.¹

A large part of this doctrine continued to be held in theory by British Governments and Foreign Secretaries up to the Great War, but it was being undermined in all directions by the course of events from the beginning of the new century onwards. By this time Salisbury, as an advocate of "splendid isolation," was himself all but isolated, and before he departed, Great Britain, like Germany, was sailing on a new course.

¹ Gooch and Temperley, Vol. II, No. 86, p. 68. Italics as in the original memorandum.

BOOK TWO

THE LIBERAL REVIVAL—ITS CONFLICTS AND
PROBLEMS

1903-II

CHAPTER XVIII
UNIONISM IN DECLINE

1902-4

I

BALFOUR slipped into the office of Prime Minister in the summer of 1902 as unostentatiously as his uncle had slipped out of it, thus quietly extinguishing whatever ambitions the Duke of Devonshire or Chamberlain (who at the moment was incapacitated by an accident), may have entertained of succeeding to the highest place. Another Unionist senior, Hicks Beach, Salisbury's Chancellor of the Exchequer, decided to retire and Balfour filled his place by promoting C. T. Ritchie—an appointment thought humdrum at the time which was to have explosive consequences a year later. The fortunes of the Unionist party were by this time very decidedly on the wane. A long and careful inquiry into the war confirmed all the doubts about its conduct and the competence of the War Office. The public concluded that most things in South Africa had been miscalculated from the time of the Jameson Raid onwards, and were by no means disposed to acquit the Ministers who had been in office continuously during that period.

But some reaction after the war was to be expected in any case and Ministers seemed to be safe from serious challenge, when suddenly by their own action they performed the miracle of reuniting the Liberal party whose schisms had proved past healing by its own leaders and members. This they did by raising the two questions, education and Free Trade, on which it was certain that all Liberals, if challenged, would fight together on common ground.

On both the beginnings were almost accidental. In 1901 the slumbering education question was stirred by a judgment of the

Courts—the so-called Cockerton judgment—that School-boards were exceeding their powers in maintaining science and art classes. The case had been promoted in the Courts by a committee of which Lord Hugh Cecil was chairman and which made no secret of its desire to clip the wings of the School-boards. The immediate result was to threaten the complete stoppages of the education of 150,000 children who were attending such classes under School-boards. Everybody agreed that something must be done, and it was expected that the Government would introduce a short Bill legalizing the science and art classes and indemnifying the School-boards which were liable to be surcharged. But this was not at all the intention of Ministers, and least of all of Balfour, who was specially wedded to the idea of abolishing School-boards, and saw in the Cockerton judgment an opportunity to his hand. Accordingly in 1901 he introduced a Bill which, instead of merely regularizing the position, set up committees of county councils to do the work for which the School-boards were disqualified. This was ill-drafted, and had to be withdrawn in face of the opposition it provoked, but Balfour was determined to go forward, and the amending Bill, which now became necessary, merely prolonged the situation for one year in the course of which, it was intimated, new and comprehensive legislation would be introduced.

This filled Liberals and Nonconformists with forebodings which, in their view, were more than justified when the promised comprehensive measure was introduced on March 24, 1902, the very week in which the war ended. The Government now proposed to abolish School-boards throughout the country, and to hand over both their duties in the Board schools and the "control of all secular education" in Voluntary schools to the county and borough councils acting through Education Committees. Balfour, who introduced the Bill himself, acknowledged frankly that one of its objects was to put the Voluntary schools on a solid and permanent basis without changing their denominational character, and his proposals seemed well calculated to effect this object. The controlling authority was put under an obligation to maintain them out of the rates, but it could only appoint one-third of the managers, and though it had a veto on the appointment of teachers, it was not to exercise this "except on educational grounds." On their side the managers had to provide

the building and to keep it in repair and to make such alterations and improvements as the Education Committee might "reasonably require."

The Bill raised a storm in the country. Nonconformists had grumbled at many of the provisions of the original Education Act, but it had never occurred to them, as they now protested, that the original compromise would be turned against them by the abolition of School-boards and the quartering of Voluntary schools on the rates. Many complained that they had voted for the Government at the 1900 election on what they believed to be an honourable assurance that they could safely do so in the national emergency without prejudice to other causes that they had at heart. Within six weeks all the Liberal sections had joined forces in opposing the Bill and Rosebery and his Liberal Leaguers were vying with Campbell-Bannerman and the little-Englanders in denouncing it. The Cockerton judgment and the science and art classes had now passed entirely out of sight, and battle was joined on what Liberals and Nonconformists considered at this time to be fundamental principles, touching conscience and the allocation of public money without public control. Every inch of the ground was fought in the House of Commons through the summer, and the Bill was only carried in the autumn session under guillotine closure. The Government majority was large enough to enable it to resist any amendments of substance, but the Bill strained the loyalty of many of its Liberal Unionist supporters, including Chamberlain, who in past days had committed himself to a very different solution of the education question, and who knew the formidable nature of the forces which the Government was challenging.

2

But in the next few months Chamberlain himself was to contribute even more powerfully to Liberal unity and the embarrassment of the Government by laying hands on Free Trade—the very ark of the Liberal Covenant. This too in its beginnings was all but accidental. In his Budget of 1902, Sir Michael Hicks Beach, then Chancellor of the Exchequer, had proposed a shilling duty on corn among other projects for financing the war. He called it a "registration duty," expressly disclaimed any Protectionist intention, and said it was so

small that it could not raise the price of bread. This, however, was not the view of the bakers, who immediately added $\frac{1}{2}$ d. to the price of the loaf. More embarrassing still to Sir Michael, who appears never to have dreamt of any such development, Sir Wilfrid Laurier, the Canadian Prime Minister, made a speech in the Dominion Parliament in which he said he was going to England to discuss commercial relations on the invitation of the Imperial Government, and he could not conceive that Mr. Chamberlain would invite the Colonial representatives to discuss that subject unless the British Government had something to propose. There was now a duty on wheat and flour which placed Canada in a position to make offers which she could not make in 1897. A step had been taken which would make it possible to obtain preference for Canadian goods (May 12, 1902).¹

Sir Wilfrid was a Free Trader and a Cobden Gold Medallist, and from his point of view any opportunity of lowering the Canadian tariff was an advance towards Free Trade. But, whether knowingly or unknowingly, he had given the British Protectionists just the opportunity they wanted and planted in British politics the germ of a controversy which was to occupy parties for thirty years to come.

For several years past it had been rumoured that Chamberlain was toying with Protection and soon after he became Colonial Secretary he had spoken of an "Imperial Zollverein" as a possibility of the future. The phrase fell dead on English ears, and for the time being he did not pursue it. But Sir Wilfrid Laurier's appeal was directly to him, as Colonial Secretary, and three days later, without waiting to consult his colleagues, he replied in a speech at Birmingham which more than confirmed the whispers about his supposed views. He now told his constituents that he too favoured a policy of preference, and was ready for a widespread departure from the "old shibboleths" and "antiquated methods" of the Free Trade system. This brought

¹ In 1897 Canada had given a 25 per cent. preference to British goods, and in the subsequent year other self-governing Colonies had followed her example, but up to this time it was assumed that Great Britain would not alter her Free Trade system in order to give similar preferences to the Colonies. At the gathering of Colonial Premiers in 1887 Lord Salisbury's Government had rejected the idea of a 2 per cent. tariff for that purpose, and the question had not since been reopened.

confusion to the Cabinet, and Hicks Beach, the author of the corn tax, now took occasion to say, also in public, that "it was the most perfect delusion that could be conceived" that the Government would "encourage trade, with our Colonies by initiating a tariff war with all those foreign countries who are our largest and greatest consumers."

3

This, in politer language, was the answer that Laurier and the Colonial representatives got when they came to London in the summer of 1902. In the autumn of the same year Chamberlain went on a visit to South Africa, and Hicks Beach resigned from the Exchequer and was succeeded by Mr. Ritchie, who was, if anything, a stronger Free Trader, and who withdrew the corn tax in his Budget of 1903. Good party men who had been shocked by the scandal of an open quarrel between Ministers in the previous year now hoped that a tiresome subject had been laid to rest, and Free Traders congratulated themselves that an insidious attack on their citadel had been easily repelled.

But this was to reckon without Chamberlain, who returned from South Africa in a frame of mind which boded ill for his opponents in the Unionist party. His visit to that country had not been a success. He had failed to get from the mine-owners the contribution to the cost of the war which he considered to be due from them, and he had learnt that they were contemplating a large importation of Chinese labour, which he believed would be a shock to British opinion. More than ever he saw the future as black for the Unionist party unless it broke new ground and diverted the public from the exhausted and unprofitable subject of South Africa. He was in the same mood as in the summer of 1885 when he launched the "unauthorized programme" as a way of salvation for the Liberal party in the discredit into which it had fallen at the end of Gladstone's second Administration: and he was convinced that a revival of Protection was precisely what was needed to rejuvenate the Unionist party, and put new ardour into its fighting spirits.

He had, therefore, not the smallest intention of accepting defeat at the hands of Ritchie. Following his usual tactics on such occasions he now proceeded to transfer the war from the Cabinet to the country,

and made a speech at Birmingham (May 15) in which he boldly declared food taxes and preference and the power of retaliating against foreigners who penalized the Colonies to be essential to the consolidation of the Empire, and intimated that he intended this to be the issue at the next election. In the meantime he expressed his deep regret that as a member of the Government he had been compelled in deference to the "established fiscal system" of the country to decline an offer from Canada which as Secretary of State for the Colonies he thought fair and handsome. It so happened that at the very moment when the Colonial Secretary was speaking at Birmingham, the Prime Minister was explaining the wisdom and necessity of repealing the corn tax to a Unionist deputation in London. Balfour said that in the present state of opinion this tax could not be a permanent part of our fiscal system, and described it as "a tax which revives old controversies, which is attached to no new policy believed of the people at large, and which, being thus the battledore and shuttlecock of the two contending parties, is singularly ill-fitted to be of that permanent armoury, which every Chancellor of the Exchequer, be his politics whatever they may be, must have at his command to carry out the high functions entrusted to him" (May 15).

The appearance of these two speeches side by side in the next day's papers was the sensation of the hour. Fragments of some unrehearsed drama going on behind the scenes seemed suddenly to have been thrown to the public. The wildest rumours were now afloat: confusion in the Cabinet, altercations between Ministers, the Government about to break up. Sir Charles Dilke raised the question in the House of Commons on the motion for the Whitsuntide adjournment, and in the debate that followed Balfour and Chamberlain took up respectively the ground on which they were to operate or manœuvre for the next two and a half years. The Prime Minister would not say yes and he would not say no to the Colonial Secretary's schemes. He was a dispassionate inquirer asking questions. Were we for ever to be left helpless in all tariff negotiations? Was it not worth considering whether by some arrangement with the Colonies we could secure an open market for British manufacturers, notwithstanding the prejudices on both sides which would need to be overcome? He was not prepared to say that the Colonial Secretary's

ideas were practicable, but he was sure that if the British Empire was to consist for ever of a number of isolated units, it would be impossible for us to make great economic progress. He added under pressure that there would be no change in the fiscal policy of the Government before a dissolution.

4

A word must be said here about the Alaska Boundary question which caused great anxiety to the Cabinet in these weeks. The exact line which divided the territory of the United States from that of Canada in this remote and inhospitable region was of little intrinsic importance, but it raised strong feelings on both sides and the gold discoveries of the previous years had invested it with romantic speculative possibilities. President Roosevelt, following the example of his predecessor Cleveland in the affair of Venezuela, brandished the big stick. He would consent to the appointment of the Boundary Commission proposed by the British Government if he were assured in advance that its award would confirm the American claim, but not otherwise. "I wish it to be distinctly understood," he said in a letter which, if not written directly to the Colonial Secretary, was intended for Mr. Chamberlain's eye, "that, if there is a disagreement on the Commission, not only will there be no arbitration in the matter, but that in my message to Congress I shall take a position which will prevent any possibility of arbitration hereafter; a position which I am inclined to believe will render it necessary for Congress to give me authority to run the line as we claim it by our own people without any further regard for the attitude of England and Canada." When the Commission met in October, Lord Alverstone, who represented the Imperial Government, added his vote to those of the three United States Commissioners and the American contention was sustained. Angry protests followed from the two Canadian Commissioners who declared, perhaps not without reason, that the British Government had shirked the issue in face of Roosevelt's threats. The decision averted a disastrous conflict between Great Britain and the United States on what the British people would have deemed a trivial issue, but Roosevelt's attitude on arbitration was scarcely a good example to the supposed "imperialist" nations of Europe.

Chamberlain had done good service² in insisting, as on other occasions, on the supreme importance of good relations with the United States, but he was now near the end of his career as Minister and his mind was wholly occupied with his tariff campaign. Taking Balfour's relegation of the question to a General Election as his cue he proceeded at once to draft his electioneering programme. The country was to be told that, if it refused the necessary fiscal change, a united Empire would be an impossibility. The working man was to be assured that, though the price of his food might rise, he would get ample compensation in higher wages and the social reforms, such as old age pensions, which would be rendered possible by the new sources of revenue. It would be pointed out to the manufacturer that the new fiscal weapon would enable us to defend our trade against the unjust competition of the gigantic trusts formed in America and Germany. The issue rapidly spread far beyond Colonial Preference, and it was evident that Chamberlain intended to arraign the entire Free Trade system.

Both parties were now speculating on an early election either before Christmas or in the New Year. It seemed impossible that the Government could go on as before after so violent a disturbance of the normal course of politics. The Colonial Secretary had defined his policy in electioneering terms, the Prime Minister had agreed that it must go to the country; questions had been raised which would keep all trade and business in suspense until they were answered in one way or another. A few months of agitation in which the country would be instructed in the new policy, then an election in which it would be accepted or rejected seemed the natural course of events. But when consulted, Whips and party managers were all but unanimous that it would be ruin to the Unionist party. Chamberlain, they said, had repeated Gladstone's mistake when he launched Home Rule without consulting his party, and the result would be the same for the Unionist as it had been for the Liberal party in like circumstances. Time must be given for the new policy to be explained and digested, and in the meantime the Prime Minister must so steer as to keep the party together in the House of Commons and stave off defeat.

There could hardly have been a more difficult task for the wariest and most skilful political strategist. A majority, probably a consider-

able majority of Conservative members, were ready to follow Chamberlain. Salisbury said once that on the subject of Protection the Conservative party was like dry wood, and that any man with a match could set it in a blaze. This was still true, but some of the strongest Free Traders were to be found in the Conservative ranks and among Conservative Cabinet Ministers; and the majority of Liberal Unionists, who in other issues would have followed Chamberlain unreservedly, were of the same persuasion. Balfour was, therefore, in the position that there were enough Free Traders among his nominal supporters to make defeat certain if he openly espoused Chamberlain's cause, and many more than enough Protectionists to seal his fate if he rejected that policy. In fact he could only keep the Government alive by balancing himself between the two views and preventing any open clash between them in the division lobby of the House of Commons.

The thing seemed impossible, but for two and a half years Balfour did precisely this, and in doing it displayed a skill, wariness and resourcefulness unequalled in the history of Parliamentary strategy. It was said at the time that no one but Balfour could have done it and escape great personal discredit, but he had a reputation as a "philosophic doubter" which made his explanations of his own state of mind seem probable and creditable as well as politically useful. Any other Prime Minister proclaiming his convictions to be "unsettled" and representing himself to be moving in an uncertain twilight on a controversy which swamped all others in the public mind, would have been drowned by politicians demanding a clear lead. But Balfour's known disposition was such that he convinced vast numbers that this was actually his state of mind, and that he was behaving honestly and courageously in avowing it and claiming it to be the right attitude for intelligent men on a very difficult subject.

In this way, as one of his critics said, he "turned his fence into a pedestal" and kept his opponents at bay. When the House re-assembled after Whitsuntide he announced that the Government would hold an "inquiry" into the fiscal question, and declined to give facilities for any discussion of the subject except on a vote of censure which would have enabled all his nominal supporters to vote for the Government. The "inquiry" resulted in the publication in

September of an immense blue-book containing all available statistics, which Free Traders promptly claimed as their gospel and the Chamberlaines impugned as the work of their enemies in the Treasury and the Board of Trade. Early in September, 1903, Balfour published a pamphlet under the title of "Insular Free Trade" in which he announced his conversion to the use of tariffs for retaliation, and, with this material before it, the Cabinet met on the 18th of the month to consider what to do next.

5

The following day it was announced that Chamberlain, the Colonial Secretary, Ritchie, the Chancellor of the Exchequer, and Lord George Hamilton, the First Lord of the Admiralty, had resigned, and three days later two other Ministers, Lord Balfour of Burleigh and Mr. Arthur Eliot, followed their example. These announcements greatly mystified the public. Why, it asked, if Chamberlain resigned, should the others, who were all Free Traders, have resigned too? Why above all should the Duke of Devonshire, who was supposed to be adamant in his objection to the new policy, have decided to remain? The answer was that the fact of Chamberlain's resignation had been communicated to the duke but withheld from Ritchie and George Hamilton, so that he stayed with the knowledge that Chamberlain was going, and they resigned in the belief that he was remaining. *The Times* spoke of the "consummate skill" with which the Prime Minister had contrived to retain the duke while disburdening himself of his other Free Trade colleagues, but its satisfaction was short-lived. The duke, as another newspaper said, woke up with a crash as soon as he realized what had happened, and a fortnight later added his resignation to the others. At this Balfour lost his temper and said that in the case of any other man in the world he should have attributed the duke's action to anxiety to pick a quarrel.

This was not the general judgment and when further it was announced that Chamberlain's son, Mr. Austen Chamberlain, had been appointed to succeed Ritchie as Chancellor of the Exchequer, the public inferred that Chamberlain senior was a party to the whole of these transactions. "This plan of Joe outside and Arthur inside working in co-operation with 'our Mr. Austen' in charge of the counting-

house is too barefaced for anything," said Campbell-Bannerman. This was a lively partisan way of putting it, but the sober fact was that Balfour and Chamberlain had by this time come to an understanding whereby the former should use all his efforts to prolong the life of the Government in the House of Commons, while the latter was set free by resigning his office to pursue a propaganda for the conversion of the country to his views. Their opponents said that the two men were obviously working on parallel lines to the same conclusion, but the difference between them was sufficient to enable Balfour to appeal to the moderates, while Chamberlain rallied the zealots, and thus to prevent the split which would have been inevitable if the Government had espoused Chamberlain's policy on the floor of the House.

It was as though when he had become converted to Home Rule and his party was plainly in doubt, Mr. Gladstone had quitted the Government and betaken himself to outside agitation, while Hartington or another leader kept a Liberal Government alive by taking up a non-committal attitude in the House of Commons. A recollection of the disaster which befell Mr. Gladstone from the impetuous attempt to rush his party into Home Rule was no doubt a strong motive with Balfour, who regarded party unity, and above all the unity of the Unionist party, as a high national interest. The one thing necessary from this point of view was to gain time, time for the party to digest the new doctrine, or, if it proved indigestible, to reject it, but on one line or another to present itself as a united party when a general election came, which need not be for three years.

This, it turned out, was the view of that staunch Free Trader, but still stauncher anti-Liberal, Sir Michael Hicks Beach, and also of the great majority of Unionist Free Traders, who, much as they disliked Chamberlain's policy, disliked the prospect of a Liberal and Home Rule victory even more. To them also to keep the Government alive and trust that Chamberlain would be worn down by opposition in the country seemed the way of safety. They, therefore, agreed to continue their support of the Government, but on condition that it did not sanction or express approval of the Chamberlain policy, and that it should avoid a direct issue on which they would be compelled to vote against that policy. The Chamberlainites, believing that time

was on their side, agreed to this, with the proviso that nothing should be said by any Minister in condemnation of their policy.

6

Thus by the beginning of October the Prime Minister had weathered the storm, or at all events the first blast of it. He now had a Cabinet from which the Free Trade zealots had been eliminated and which could be relied upon not to make further crises by resignations. At the end of the month the Conservative Chief Whip announced that there would be no dissolution, and that the Prime Minister would not dream of retiring until he had redeemed his pledges to his party and especially his pledge to the licensed victuallers, who were greatly disturbed at the position in which they had been left by a recent decision in the law-courts (*Sharpe v. Wakefield*) according to which a licence was no more than an annual permit to sell drink which could be extinguished at the end of the year at the option of the magistrates. The Conservative party considered itself to be on favourable ground when the question of beer was exercising the public mind, and the prospect of a new Licensing Bill seemed a serviceable diversion.

But Chamberlain was determined that so far as he was concerned there should be no diversion. He had spent the interval between his speech in June and his resignation in active preparations for his campaign, and now had behind him a formidable organization with its seat in Birmingham which was working up his case, preparing leaflets and pamphlets attacking Free Trade, and arranging meetings all over the country. He started his campaign in a speech at Glasgow on October 6, and followed this up during the next few weeks with speeches at Greenock, Cupar, Newcastle, Liverpool, Cardiff, Newport and Leeds. The "raging and tearing propaganda" his opponents called it, but it was an amazing exhibition of energy and zeal.

Without any support from men of the first rank, with almost every economist of repute disputing his premises and declaring his conclusions to be false, he went his way undaunted, spreading the issue from corn tax and preference to the whole field of industry and commerce, skilfully mingling the appeal to imperial sentiment with a confident promise of material gains for everybody. The foundation of his case was that in the thirty years between 1872 and 1902 British exports

had stagnated and even declined, whereas those of foreign Protectionist countries, notably Germany and the United States, had steadily advanced. "Agriculture, the greatest of all trades and industries, has been practically destroyed. . . . Sugar has gone, silk has gone, iron is threatened, wool is threatened; the turn of cotton will come. . . . At the present moment these industries and the working men who depend on them are like sheep in a field. One by one, they allow themselves to be led out to slaughter, and there is no combination, no apparent provision of what is in store for the rest of them" (Greenock, Oct. 7, 1903). The remedy—an average 10 per cent. tariff on foreign manufactured goods—which Chamberlain proposed, seemed scarcely adequate to this alarming diagnosis, but he was convinced that skilfully manipulated it would work wonders. A body called a "Tariff Commission" was set up in Birmingham to hear evidence from the threatened trades, and prepare the "scientific tariff" which would bring them relief.

Wherever Chamberlain went the Free Traders followed, challenging his statistics, questioning his arithmetic, and propounding the view *that his policy of Imperial Preference was more likely to disrupt than to unite the Empire*. "I do not envy the man," said Lord Rosebery, "who stakes the unity of the Empire on taxing the food of the British people." Of all the Liberal leaders none was keener on the scent than Asquith, whose speeches in these years left him in an unchallenged position as next in succession to the leadership of the Liberal party. Under the hammer strokes of Chamberlain's assaults, the Liberal sections were now welded again into one party and the dissensions of the previous years passed out of memory.

CHAPTER XIX
BALFOUR AT BAY

1903-5

I

THE Free Traders, as Asquith's biographers have said, were lucky as well as skilful in their campaign. In the years 1904 and 1905 the country was, broadly speaking, paying by current exports of goods and services for the whole of its imports without drawing materially for that purpose on its income from foreign investments, most of which was annually reinvested abroad. Like all Protectionists, Chamberlain laid his stress on the excess of imports over exports—the supposed adverse balance of trade—and was impatient of the doctrine of "invisible exports" which economists set up to explain the difference, but the facts at this time were decisively against him, and no serious case could be made out for curtailing imports on this ground. Again, Chamberlain was unfortunate and his opponents fortunate in that he launched his proposals at a time of rising prosperity when every prediction of impending commercial ruin was promptly belied by the Board of Trade returns. Mr. Bonar Law, the future Prime Minister, who was one of the most ardent of Chamberlain's supporters, said very candidly that it would need "three bad winters" to convert the country to tariff reform, and all the winters in these years were good winters.

Finally there were none of the complicating factors, currency depreciation, international debts and reparations, exhaustion of gold and the like which thirty years later were to obscure the fiscal question and make it only one among many issues determining the international trade situation. The ground was clear for a clean fight on the lines of the classical economy. Protectionists for the most part took the simple ground that foreign imports displaced British goods and threw

British workmen out of employment; Free Traders replied that foreign imports were paid for by British exports, and that this process of exchange added to wealth, enlarged markets and kept British workmen employed. Protectionists argued that the duties proposed were so small that nobody would feel them; Free Traders replied that, if this were so, they could have none of the effects ascribed to them, and pointed out that any duties on foreign imports would raise the price of the whole supply, home as well as foreign. Protectionists protested that they would exempt raw material; Free Traders pointed to the extreme difficulty, indeed impossibility, of distinguishing between so-called raw materials and manufactured goods.

An informed minority followed these arguments with unflagging interest, but what undoubtedly prevailed with the mass of the electors was the traditional fear of food taxes. The "hungry 'forties" was still a memory in the English villages, and the town workman was incredulous about the promise of higher wages and more employment to compensate for the increased cost of food. At the outset of his campaign, Chamberlain appeared to have some success, and he was confident that if he were given a year he would convert the country to his views. At the end of a year the tide was visibly turning against him, and one by-election after another indicated that the working-class electorate was rallying to the cause of Free Trade.

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Staunch Free Trader as he was, Campbell-Bannerman, the leader of the Liberal party, watched this controversy with a certain misgiving. He feared that the Liberal party would be driven by it into the purely negative attitude of arguing that all was for the best under the best of all possible fiscal systems, and early in the day he began arguing that the defence of Free Trade should be turned into a positive and constructive channel. In a speech at Perth (June 5, 1903) he said that twelve millions of the people were "underfed and on the verge of hunger," citing as his authority the investigations of Charles Booth in East London and Mr. Rowntree at York. This speech caused serious misgivings to Unionist Free Traders, who saw in it a clumsy and unnecessary admission which would immediately be seized and exploited by Chamberlain. They were right about that. A stream

of leaflets immediately issued from Birmingham, pointing out that the Liberal leader had declared twelve millions of the people to be "always on the verge of starvation under Free Trade." Campbell-Bannerman was unrepentant. To say this thing and keep saying it was, in his view, a necessary corrective to the panegyrics on Free Trade. He replied that the "verge of hunger" (his own phrase) was not quite the same thing as "the verge of starvation" (the Birmingham paraphrase) and that the twelve millions would probably be pushed over from hunger to starvation if their food were taxed. But he held to his point that Free Trade alone was not enough for a Liberal party, and both in public and in private continued to urge Liberals not to let themselves be shut into a purely negative controversy with Chamberlain about tariffs.

Whips and party-managers pointed to a certain inexpediency in developing this line of argument at a moment when it was desirable to keep Conservative and Unionist Free Traders in line with Liberals in opposing Chamberlain, and beyond question the fear of a Radical policy developing under cover of the Free Trade campaign helped materially to keep Balfour in office during these years. As the signs pointed more and more to a Liberal victory, Hicks Beach and other Unionists who had been strongest in opposing Chamberlain at the beginning, concluded that the Free Trade cause was so much more than safe that their duty lay in strengthening the Conservative defences against the inrush, which they saw approaching, of the Radical tide. Campbell-Bannerman on the other hand was opposed to giving any pledges to Unionist Free Traders or making any compact with them about seats which might hamper a Liberal Government in a new Parliament. He looked upon Free Trade broadly as an issue of social justice and saw in Protection a further transfer of wealth from the "have-nots" to the "haves"—but he regarded it as only one issue among many, and was determined to keep his hands free for a Radical and progressive policy when his time came.

These movements of opinion before and behind the scenes explain the survival of Balfour's Government, which in the autumn of 1903 seemed to be past saving. Chamberlain wanted time and more time for his campaign, the Unionist Free Traders hoped that, if time were given, something would happen to save the Unionist party from

becoming the helpless victim of its Radical opponents. Both for different reasons were ready at the critical moment to come to Balfour's support either by voting or by abstaining when the Liberal opposition endeavoured to force the issue, as they did at short intervals during the sessions of 1904 and 1905. Old Parliamentary hands exhausted their ingenuity in framing resolutions which would compel the Prime Minister to declare himself in such a way as to alienate either his Free Trade or his Protectionist followers, and again and again it seemed as if his defeat was inevitable. But always at the last moment Balfour evaded them with the help or connivance of the Unionist Free Traders. In May, 1904, he boldly countered the most formidable of these attacks¹ by a counter-resolution declaring discussion of the fiscal question to be unnecessary and inviting the House to proceed with its ordinary business. In March and April of the following year, he walked out of the House with all his followers, leaving the Free Traders in possession, who proceeded to carry resolutions affirming their full doctrine, *nemine contradicente*, in a House supposed to be commanded by a large Unionist majority. Unwilling tributes were paid by his opponents to the skill, subtlety and adroitness with which Balfour conducted these operations, but many spectators in the country judged it to be "not cricket" that the Prime Minister should, as they put it, retire with his team to the pavilion when the bowling became too hot.

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Balfour had promised his supporters that if they would remain faithful to the Government it would not "burden them with overmuch legislation," and he was true to his word. The only measure of importance passed in 1904 was the Licensing Act which re-established the assumption, upset by the judgment in *Sharpe v. Wakefield*, that a licence would be renewed from year to year except for misconduct or for reasons connected with the suitability of the premises. In future, if an existing licence was withdrawn on the ground that it was unnecessary or redundant, the holder was to be compensated, and the Bill provided for a moderate tax on existing

¹ A resolution proposed by Mr. Black which the Unionist Free Traders had decided to support but which was greatly resented by the Chamberlainites.

licences and a special payment in respect of new licences for the formation of a compensation fund for this purpose. Temperance reformers protested vigorously against this measure on the ground that it was unnecessary and contrary to public policy to convert an annual permit to sell liquor into a legalized property, as in effect the Bill did, and proposed instead a time-limit, with a descending scale of compensation as it expired, for existing licence-holders, and at the end of this period, the restoration of the theory upheld by the judges in *Sharpe v. Wakefield* that the licence was at the disposal of the State to deal with as it chose on its expiry at the end of the year.

This measure raised a storm in the Opposition, and like the Education Bill of 1902, was to play a large part in the controversy between Lords and Commons in the next Parliament. Liberals resisted it to the utmost, and there were lively scenes in the House of Commons before it was carried under guillotine closure at the end of the session. It was popular with the Tory party, which in these years considered support of "the Trade" to be something approaching a debt of honour, but it added to the discontent of the not unimportant section of voters who protested again, as on the Education question two years earlier, that they had voted for the Government at the election of 1900 on the assurance, which now proved worthless, that they could do so without prejudice to the Liberal causes they had at heart. Between them, Licensing and Education Bills contributed not a little to the rising tide of hostility to the Government which was evident in by-elections before the year 1904 was over.

It was a maxim at this time that governments when they fell sick never recovered, and troubles now fell thickly on Balfour's Government. The public had been painfully impressed by the strictures on the old military system passed by the Commission of Inquiry into the war, but Ministers seemed to have no idea how to reform the military system. There was general agreement on the three principal proposals of the Esher Committee¹ appointed when the war ended—viz. the institution of an Army Council, a General Staff, and a Committee of Imperial Defence, but everything beyond this provoked dissensions before which the Government was helpless. Mr. Brodrick, who had

¹ Consisting of Viscount Esher, Admiral Sir John Fisher and Sir George Sydenham Clarke.

succeeded Lansdowne as Secretary for War, produced an ambitious scheme for the formation of Army Corps, which was heavily handled in debate and did not survive his departure to another office. Mr. Arnold Forster, who succeeded him, presented intricate and elaborate plans for dividing the Home Army from the Foreign, running short service side by side with long service, and absorbing the Militia into the line and so forth, but these too were riddled with criticism and never took definite shape. Ministers who had been continuously in office for nearly nine years seemed to lack the energy and the freshness of mind which were required for the handling of these problems.

Next there was trouble about the Irish question on which, if upon anything, the Unionist party was supposed to be united. Mr. George Wyndham, the Irish Chief Secretary, had indulged the dream of a conciliatory policy within the framework of the Union, and had appointed Sir Anthony MacDonnell, a distinguished ex-Indian official, to explore the possibilities of a measure of devolution. This on becoming known brought angry protests from Sir Edward Carson and the Irish Unionists, who saw the citadel being betrayed from within; and Wyndham, being without support in the Cabinet and finding himself more involved in Sir Anthony's researches than he had intended, was compelled to resign. The incident shook the Cabinet, for Wyndham had warm sympathizers among the more progressive Unionists, who felt that he had been sacrificed to a clamour which the Prime Minister ought to have resisted. This failure of devolution at Unionist hands may be marked as one of the stages in the gradual process which eliminated the various half-way houses between the extreme demands of the Irish Nationalists and the Unionist *status quo*. The Irish party in 1905 might have accepted as an advance on the part of the Unionist Government the measure which in the following year they were to reject as a backsliding on the part of a Liberal Government.

Further, there was at this time great anxiety and unrest in the Labour world, which had watched with dismay the judgments in the Court of Appeal and House of Lords in the Taff Vale and Quinn v. Leatham cases,¹ which between them had played havoc with what all parties till then had supposed to be the law governing trade unions.

¹ For further details on this subject see *infra* pp. 280-282 and 771-777.

Their supposed exemption from actions for civil damages was now declared to be an illusion, and it was extremely doubtful whether any union could conduct a strike without exposing itself to ruinous actions in the Civil Courts afterwards, and the Government had no responsibility for these judgments, but, rightly or wrongly, Labour concluded that it was much more likely to obtain redress from a Liberal and Radical than from a Conservative Government, and from 1903 onwards a solid Labour vote against the Government on this issue alone was one of the certainties at the next election.

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But worst of all from the electioneering point of view was the question of Chinese labour which had been boiling up during the autumn and winter of 1904-5. The usual reaction had followed the war, and to large numbers this seemed the very climax of disillusion. A war which, as the public had been told, was to substitute the higher for the lower civilization and to open the door to British migration, was now to end in the importation into the conquered territory of 50,000 Chinese labourers under conditions barely, if at all, distinguished from slavery. It has been reported in 1903 that Chamberlain had returned from his visit to South Africa in a state of grave concern at the attitude of the mine-owners on the Rand—their stubborn refusal to contribute to the cost of the war and their alarming ideas about replenishing the supply of labour. But he had gone from the Colonial Office before their plans developed, and the Cabinet appears to have given its sanction to the recruitment of the Chinese without any careful scrutiny of the conditions or reflection on the consequences to their own fortunes with the British electorate, when the facts became known.

It was undoubtedly a tempting subject for the Opposition, and an ugly party spirit mingled with a sincere indignation in the agitation that followed. Ardent Liberal politicians who had writhed under the Unionist attack at the election of 1900 now took their revenge. Mr. Lyttelton, the Colonial Secretary, one of the gentlest of men, appeared on posters as a Chinese slave-driver with a gang of manacled coolies behind him. Ministers had a right to complain of these personalities, but in this matter they had lost touch with one of the deepest and strongest instincts in the common mind. The Chinese ordinance,

when examined, justified the most serious misgivings. For the period for which they were recruited the coolies were as near as possible reduced to the condition of human chattels. They were to come for a fixed term of years, at the end of which they were to be returned to China at the cost of the importer. They were to live in compounds and forbidden to go out except on a permit limited to forty-eight hours and one district. They were forbidden to hold any fixed property or to engage in any business but that of unskilled labour. Special offences and penalties outside the ordinary law were laid down for them. Though not actually forbidden to bring their wives and children, the conditions in fact made it impossible for them to do so, and it was elicited that no women and children had come with the first batch that had landed in South Africa.

The Government contended that some, if not all, of these provisions were to be found in other ordinances for "indentured" labour, to which Asquith replied that there was at least one vital distinction between previous ordinances and this one, viz. that whereas the former confined themselves to securing the execution of the contract between labourer and employer, this one "sought deliberately to prevent the labourer from getting into free contact or communication with the community, and to keep him in a situation which no Government had ever ventured or ever would venture to keep any subject of the King, however humble he might be, or from whatever quarter of the Empire he might come—a situation from which he could not aspire to rise, however frugal, industrious, thrifty or public-spirited he might be, a situation in which he could never aspire to be a living member of the community." Liberal lawyers exhausted their ingenuity in pointing out these distinctions, but the public in general cared little for the legal argument and agreed heartily with Campbell-Bannerman when he said frankly that he thought many of the previous ordinances abominable, and had no intention of letting his supposed but fictitious responsibility for the proceedings of some former Liberal Colonial Secretary stand in the way of this new and latest abomination.¹

All through the spring and summer of 1905 agitation was rising against the Government on the fiscal question, the Education question, the Temperance question, and finally Chinese labour. But when the

¹ "Life of Campbell-Bannerman," Vol. II, p. 146.

session ended at the beginning of August,⁶ Mr. Balfour was still in his place, and now talking confidently of another session to be devoted to a Redistribution Bill which was expected to reduce the number of the Irish representatives at Westminster, and to do other things desired by the Unionist party. Tempers were rising and there had been a scene of great disorder in the House in a debate in May when Balfour seemed to be evading the direct answer to a question put to him by the leader of the Opposition; and towards the end of July the Government had actually been defeated on a vote for the Irish Land Commission in Committee of Supply. At that moment the oldest Parliamentary hands thought the end had come. Once more they were mistaken. The Prime Minister said he would take time to consider the position, and having taken three days announced that he would neither resign nor dissolve.

CHAPTER XX

THE BRITISH-FRENCH ENTENTE

1904

I

ALL through the troubled years of his Administration Balfour had told his friends privately that the state of foreign affairs made it imperative for him to keep his Government in being, whatever mortifications he himself might have to put up with. Ministers had so often made this excuse for what seemed like clinging to office that it was received with polite scepticism at the time, but if ever it was justified, it was in these years. Historically, Balfour's Administration will be chiefly remembered as that which broke with isolation in Europe and concluded the Convention with France which was to govern British policy up to the Great War. For good or ill the whole course of history might have been changed if Balfour had failed to keep his perilous balance during the Tariff controversy.

Events had marched rapidly since the British-Japanese Alliance made the first breach in the traditional policy. Japan, being now relieved of the fear of intervention by any other Power, stiffened her attitude towards Russia and began making preparations to challenge her in Manchuria. To Russia, it seemed unthinkable that the challenge could be serious, or that, if the Japanese persisted, there would be any difficulty in disposing of it. The idea of the upstart Yellow race defying the Russian Colossus raised laughter in St. Petersburg, and the Grand Dukes and commercial magnates who were staking their fortunes on the adventure in the Far East pressed more than ever for a forward policy. Pledges to evacuate given when Port Arthur was occupied were now forgotten and Japanese remonstrances treated with a polite contempt.

The German Kaiser, as the "Willy-Nicky" correspondence shows, was more than ever persistent in inciting the Tsar in this enterprise. As before, he saw two birds being killed with one stone—the "Yellow peril" in which he seems sincerely to have believed, grasped and extinguished by Russian arms, and, equally important, Russia kept occupied and diverted from Near East to Far East to the great advantage of Germany and Austria, who would then have the European field to themselves. At the beginning of February, 1904, when the Tsar seemed to be holding back, the Kaiser wrote urging him to go forward and expressed keen disappointment at the lack of spirit in his replies. "He felt as a Sovereign," he told Bülow, and, "it pained him to see the harm the Emperor Nicholas was doing by his flabby way of going on. The Tsar was compromising all great Sovereigns."¹ The Tsar in February, 1904, had no choice but to go on or beat a precipitate retreat, for by the middle of the month the Japanese had declared war and were marching to the attack.

For opposite reasons the French had watched with great anxiety the increasing entanglement of their Ally in the Far East. Whatever happened in that region the result was bound to be bad for them. If Russia won and established herself permanently in Manchuria and Korea, she would be drawn away from Europe and be less valuable as a partner for any European purpose. If on the other hand she were beaten, she would have wasted her military power and in all probability be out of action in Europe for several years to come. Looking into the future, the French saw themselves once more isolated and at the mercy of their hereditary enemy. As the Russians turned East, the French began to look West and to reconsider their relations with Great Britain.

These were not promising in the early years of the new century. The Fashoda crisis, the Dreyfus affair, and the fierce recriminations of the Press during the Boer war, had inflamed opinion on both sides, and by all the surface appearances British and French were as much estranged as British and Germans. But the British had short memories and easily forgave, and the French were realists who seldom let temper or sentiment stand in the way of any policy that national interests seemed to require. Given that the two countries feared isolation and

¹ G.P., XIX, Vol. I, No. 5961.

that neither could find an ally elsewhere, it was in the circumstances of 1903 and 1904 all but a foregone conclusion that they would come together.

At this point Chamberlain again comes into the picture. By the end of 1901 he had finally abandoned his dream of a German Alliance. Two fatal obstacles barred the way—the hostility of the German public to British policy in South Africa, the determination of the German Government to exploit this hostility for a big navy movement which was plainly aimed at Great Britain. The two horses of British friendship and an anti-British naval agitation could not be ridden at the same time, and the final effort of 1901 to combine these incompatibles ended, as we have seen, in angry recriminations between the German Chancellor and the British Colonial Secretary. Chamberlain, nevertheless, remained a convinced anti-isolationist, and he had warned the Germans that if he was headed off in one direction he would try in another.

No one tackled about with greater celerity in either home or foreign affairs when his mind was made up, and on January 30, 1902, Count Metternich, the German Ambassador in London, informed his Government that he had learnt in the strictest confidence that negotiations were proceeding between Chamberlain and M. Cambon, the French Ambassador, for an all-round settlement of Colonial questions between France and Great Britain. Newfoundland, the Niger, the New Hebrides, commercial treaties, and extra-territorial rights in Madagascar and Zanzibar were mentioned as the subject of these negotiations and Cambon was supposed to have raised the question of Morocco, and to have inferred that the British Government was inclined to come to a compromise on that too—a compromise which would almost certainly include Egypt. Morocco and Egypt were outside Chamberlain's domain as Colonial Secretary, but his appearance in January, 1902, laying out the ground for the most memorable act of Balfour's Government is evidence the more of his unsleeping activity in foreign affairs. If we are looking for documentary evidence of the origins of the Entente, his name is the first to appear on the records.

The German Ambassador was instructed to make inquiries at the Foreign Office, and on February 3 received a formal denial from Lord Lansdowne that any agreement had been reached with France. This

undoubtedly was the truth, but it was not an answer to Metternich's question. On February 8 Chamberlain was dining with King Edward at Marlborough House, and another of the guests on this occasion, Baron Eckardstein, records that he saw him go off into the billiard room with Cambon, the French Ambassador, with whom he talked alone for half an hour. Though he strained his ears, Eckardstein could catch nothing but the two words "Egypt" and "Morocco," but Chamberlain himself told him all he wanted to know. Referring to Bülow's recent speeches in the Reichstag and to the attacks on him in the German press he said, "Now I have had enough of such treatment, and there can be no more question of an association between Great Britain and Germany." The King too had something to say. "We are being urged more strongly than ever by France," he told Eckardstein, "to come to an agreement with her in all Colonial disputes, and it will probably be best in the end to make such a settlement."¹

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Whether the initiative came from the French, as the King seemed to imply, or from Chamberlain, as other records suggest, is of little importance. Both countries had the same motive—not to be left isolated in a dangerous world—and common fears, if not common interests, were certain to bring them together. The effort was one which commanded the sympathy of all peaceably disposed and liberal-minded people in both countries. To heal the feud between any two nations and most of all between two who were close neighbours and the chief upholders in Europe of Liberal and Parliamentary institutions seemed in any case to all these a clear and positive gain. The advocates of peace and arbitration warmly co-operated in Paris and in London. During the year 1902 Chambers of Commerce passed resolutions in favour of an Arbitration Treaty between France and England; a group was formed in the French Chamber to advance this idea and two hundred deputies promised their support. Simultaneously the French press moderated its tone, and the fierce attacks on British policy which had been incessant during the previous years gave way to hints and suggestions of a common defence against the perils which the two countries would have to face in the future.

¹ "Ten Years at the Court of St. James's," p. independence or

In the spring of 1903 King Edward began to appear on the scene. There is nothing in the record to substantiate the idea, widely held in Europe, that he was in any special sense the author of the French policy, or that he imposed it on his Ministers. So far as he had any influence on affairs, he appears, as Prince of Wales, to have fallen in with the official policy of leaning on Germany and the Triple Alliance and he went out of his way to be as civil as possible to the German Kaiser at the time of the Queen's death and for the next eighteen months. The supposition which some of his biographers have favoured that he "had continually on his loom" during these months "the fabric of the Anglo-French Entente" is intrinsically improbable and has no evidence to support it. No one could have worked at that loom until the Fashoda crisis was forgotten and the Boer war over; and the King, when Prince, was known to have greatly resented the unseemly attacks on his mother which were part of the anti-British press campaign in France. But so soon as the new chapter was opened, he had a part and a very important part to play. He had from old days a sincere liking for the French and had been a frequent visitor to Paris, where he was regarded as a genial man of the world and an agreeable exception to the long-faced English. There was general agreement at this point that if anyone could dispel the atmosphere of suspicion and bitterness which the wrangling of the previous years had created among the French, and bring them to a state of mind in which they would look favourably on an Entente, it would be King Edward.

So at the beginning of March, 1903, Lansdowne conveyed to the French Government that the King was planning a cruise in the Mediterranean, and that on his return journey it would give him much pleasure to meet the President (M. Loubet) on French soil. The President received this intimation with "unmistakable delight." He said that in the present temper of France a visit would do more good ^{ser} probably even the British Government realized. His Majesty ^{stand} Prince of Wales had enjoyed an exceptional popularity in France, designs many old friends would be overjoyed to see him again, but would find was not confined to old friends and was general among Russia and ult was arranged that the King should go to Paris in (Gooch and T.

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Thanks to the tact and skill with which he managed the occasion the visit was an immense success. There had been considerable misgivings as to the reception he would receive and these were by no means groundless. On the first day as he drove in procession with the President down the Champs Élysées to the British Embassy, the crowd was sullenly respectful; there was some booing and cries of "vivent les Boers." The King kept a gracious demeanour, said pleasant and flattering things in reply to deputations, was hearty in his greetings to old friends, paid compliments to artists and actresses, and did all the little things that a polite nation appreciates. Before he left he had won over a large part of the Paris public and press, and his departure took place in a scene of great enthusiasm. In the three days of this visit he performed brilliantly the service proper to the constitutional monarch—the kind of service which a royal personage who knows his business does best in a Republican country—and gave the new policy the best possible send-off. French Ministers were now in a position to go ahead with reasonable certainty that their public would follow, and British Ministers had a guarantee that their advances, if they made them, would not be repelled, as had happened in their dealings with the Germans, on the plea that popular hostility barred the way.

The ground being thus prepared, a cautious approach was made on the basis of the proposed Treaty of Arbitration. That was not a project which the official world took seriously. It was sponsored by men like Baron d'Estournelles, W. T. Stead and Sir Thomas Barclay, whom Ministers and officials regarded as impracticable visionaries. But at the moment it offered a convenient spring-board and, since M. Delcassé was going to be questioned about it, Lansdowne agreed that he should say something encouraging with the necessary reserve, excluding "questions which no self-respecting country would submit to arbitration."¹ Up to this point the Foreign Office appears to have had no official knowledge of the part played by Chamberlain or of

¹ In October of this year an Arbitration Pact was concluded by which the two Powers undertook to submit to The Hague Tribunal all questions on which no agreement had been reached, provided the vital interests, independence or honour of either were not involved.

the conversations which had been going forward between him and M. Cambon on colonial questions. The Colonial Secretary was now absorbed in the fiscal question and in the following September, as already related, he resigned his office and passed out of the picture. From June onwards Lansdowne took charge and all subsequent negotiations were undertaken by the Foreign Office.

The British record¹ gives the various stages. On July 6 the French President, M. Loubet, paid a return visit to London, and it was arranged that the French Foreign Secretary, M. Delcassé, should accompany him and hold conversations with Lansdowne. The visit was an unqualified success and once more the King punctuated the occasion by telegraphing in reply to the President's farewell message: "It is my most ardent wish that the *rapprochement* between the two countries may be lasting." Serious business in the meantime had been done by Lansdowne and Delcassé, who between them surveyed the whole ground, Newfoundland, Morocco, Siam, New Hebrides, Sokoto, the Niger and finally Egypt. It was discovered that some of these stubborn and seemingly unrelated subjects might be settled by an all-round process of give and take. The British had burnt their fingers rather badly in Morocco by their patronage of the young Sultan Abdul Aziz, whose subjects were in active rebellion, and provided they could get the "open door" for trade and the neutrality of Tangier, to hand the rest over to France might be good riddance of bad business for them. The French had wasted a great deal of energy in a fruitless effort to dislodge the British from Egypt, and if by withdrawing their opposition they could secure the free hand in Morocco, that would be good business for them. Nothing appears to have been said in this interview about European politics.² The general impression left

¹ Gooch and Temperley, Vol. III, Chap. XV.

² M. Etienne, an emissary of the French Foreign Office who visited Lord Lansdowne on July 2 was less reticent. He "expressed his belief that the most serious menace to the peace of Europe lay in Germany, that a good understanding between France and England was the only means of holding German designs in check, and that if such an understanding could be arrived at, England would find that France would be able to exercise a salutary influence over Russia and thereby relieve us from many of our troubles with that country" (Gooch and Temperley, Vol. II, p. 293).

on Lansdowne was that the French attached the utmost importance to Morocco, and that, if we could come to terms with them on this, the rest would follow.

These conversations were reported to Lord Cromer, who was now at the height of his power and prestige in Egypt, and he became at once a warm adherent of the settlement which now seemed to be in sight—a settlement which would make an end of the unceasing wrangles and pinpricks about our position in Egypt. He saw no objection to Morocco becoming a French province on the three conditions of our interests on the coast being secured, the open door guaranteed, and Spain treated considerately, if in return we got the concessions that we needed in Egypt.

4

Negotiations went forward all through the summer on the ground provisionally explored, and on October 1 Lansdowne presented M. Cambon, the French Ambassador, with a memorandum approved by the Cabinet covering all points. In this the three conditions of a Morocco settlement are carefully defined and the British counter-claim for Egypt is for the first time set down. Without wishing to alter "the political status of Egypt," the British Government desired the French to recognize that the British occupation of Egypt, "which was originally intended to be temporary has, under the force of circumstances, acquired a character of permanency," and that "the period of its duration should be left entirely to the discretion of His Majesty's Government." The two Governments were also to discuss with one another the abolition of capitulations simultaneously in Egypt and in Morocco, the abolition of the Caisse de la Dette and various other proposals for reforming the administration of justice and the special privileges given to foreigners in Egypt. On all the other matters give and take settlements were suggested, e.g. that the Sokoto boundary in Central Africa might be revised in return for the surrender of French rights on the "Treaty Shore" in Newfoundland, but the British Government was firm against the division of the New Hebrides between Britain and France as the French had proposed. "Any such arrangement," they said, would "from the point of view of the Australian and New Zealand Governments present in-

surmountable difficulties.”¹ The French Government saw similar difficulties in the abolition of the bounties for French fishermen frequenting the Newfoundland coast, and in their memorandum delivered on October 27 made counter-proposals on this and many other points.

The details are voluminous, and most of them have lost interest after the lapse of time and the changes which have come over the scene since 1903. There was hard bargaining on both sides, and in January, 1904, the negotiations came near breaking point on the question of the French fishermen on the Treaty Shore of Newfoundland and the adequacy of the compensation offered in Sokoto for the surrender of their rights and privileges. At this point Cromer cabled urgently from Egypt that the “calamity” of a failure on this or any small point should at all costs be avoided. Morocco and Egypt were in his view the important points and should not be tangled up with Newfoundland and Sokoto. “It has to be borne in mind,” he said, “that the French concessions to us in Egypt are in reality far more valuable than those we are making to them in Morocco, and moreover that they can hamper us greatly here, whereas if they choose they can carry out their Morocco policy without our help. They are perfectly well aware of this.”

There was trouble to the last about many of these details. At the beginning of March, Lansdowne learnt to his consternation that M. Delessé had not communicated any of these proceedings to the French Cabinet. For this he pleaded the necessity of secrecy, but it had the awkward result that some of his colleagues were astonished and alarmed, and insisted on beginning all over again with questions that Lansdowne had supposed to be settled. The Colonial Minister wanted fresh concessions on Newfoundland; Delessé himself put in a new formula about Egypt which suggested that he was still clinging to the idea of a time-limit for the occupation. On March 30 Lansdowne said sharply that the negotiations would be broken off if these demands were pressed, and this seems to have had the desired effect. The French gave way on the Newfoundland question, and the fishermen's rights on the Treaty Shore were surrendered for a money compensation. They were also induced to declare that they would ‘not obstruct the action of Great Britain’ in Egypt by “asking that

a limit of time be fixed for the British occupation or in any other manner," while the British Government declared that it had "no intention of altering the political status of Egypt."¹ In Morocco the French were given a free hand to intervene to keep order and carry out administrative and military reforms, and in return they pledged themselves to respect "the principle of freedom of commerce" and not to permit fortifications to be constructed on the northern coast.

As general "compensation" the French obtained a port on the Gambia, the Los Islands off the Ivory coast, and a rectification of frontier between the Niger and Lake Chad. There were certain secret articles, which were published later when Grey was in office, but they had none of the importance attached to them by those who indicted "secret diplomacy" in the subsequent years. They provided for the maintenance of the open engagements, should circumstances change, and especially if the Sultan of Morocco should "cease to exercise authority" in Morocco. It was not convenient to talk out loud about that possibility, but it was prudent to take precautions against it, and this was the normal procedure for hypothetical cases. It was suggested afterwards that the interests of Spain had been sacrificed to France and Britain in the secret clauses, but these in fact were carefully guarded.

5

The colonial settlement worked well in after years and it was an enormous relief to both Foreign Offices to be quit of the pinpricks and recrimination caused by their mutual jealousies and suspicions. From the European point of view there was only one article which was important and this was the last, in which the two Powers "agreed to afford one another their diplomatic support in order to obtain the execution of the clauses of the present declaration regarding Egypt and Morocco." But this was all-important, and it was to make Morocco one of the two principal storm-centres of European politics from this time onwards till 1911.

That result, however, was hidden from the spectators at the time,

¹ The stipulation had great importance in 1914, when it became necessary to determine the status of Egypt after the Sultan of Turkey—its technical Suzerain—had entered the war on the side of the Central Powers.

and the Convention was received with acclamation by all parties in Great Britain, no less by Liberals and pacifists who hailed it as a great stroke for peace, than by supporters of the Government who thought it a fine feather in Lansdowne's cap. A few ultra-Imperialists grumbled that France had got too much, but in general the judgment was that a great object had been obtained by a moderate sacrifice. When the Convention came to be debated in the House of Commons it was as near unanimous in its approval as on any subject in the course of its history. The Prime Minister spoke of it as an all-round settlement with a friendly Power of colonial and over-sea questions which had clouded good relations, and dropped no hint of any ulterior intentions or reactions upon policy in general. In a sentence which has a slightly ironical ring when the sequel is remembered, he "congratulated the House on the removal of Morocco from the number of States—non-Christian and Oriental—whose relations with the great Powers were the great danger to the peace of the world." Alone among important men Rosebery expressed his doubts about the wisdom of "surrendering Morocco to a great military Power," but this was attributed to his own unhappy experience of French diplomacy when he was Foreign Secretary, rather than to any deeper cause of discontent. Rosebery, nevertheless, was one of the few British public men who had what is called a "European mind," and he confided to his friends that he was gravely uneasy about the results of this new Entente on the relations of Great Britain with other Powers.

Three years later, when these results had appeared, Sir Eyre Crowe, then Permanent Secretary of the Foreign Office, wrote a memorandum¹ rebutting the idea that the conclusion of the Entente was a deliberately hostile act to Germany, in fact the first step in the policy of "encirclement," which the English people were supposed to be pursuing against the German at the instigation of King Edward and in pursuance of his quarrel with his nephew the Kaiser. Sir Eyre sets out the argument exactly as it appeared to the public at the time. The Convention was the result of an earnest effort to compose differences between Britain and France, and it had no other motive. In particular it was an error to connect it with the Russo-Japanese war and the consequent isolation of France in Europe, for it was practically concluded before that war

¹ Gooch and Temperley, Vol. III, pp. 397 *et seq.*

broke out. There could, therefore, be no ground for supposing that M. Delcassé was thinking of the position of France in Europe when he concluded the agreement with Great Britain. But in any case, he went on, and "even if the weakening of the Franco-Russian Alliance had been the principal and avowed reason why France sought an understanding with England, this would not justify the charge that the conclusion of such an understanding constituted a provocation and deliberate menace to Germany." No one had ever seriously ascribed to the Franco-Russian Alliance the "character of a combination conceived in a spirit of bellicose aggression"; how, then, could any competent student of contemporary history have honestly believed that "the association of so peace-loving a nation as England with France and Russia, or still less, that the substitution of England for Russia in the association with France, would have the effect of turning an admittedly defensive organization into an offensive alliance aimed directly at Germany?" The facts had only to be stated for the absurdity of this idea to be self-evident.

6

"British politicians," said Prince Bülow in a memorandum that he wrote after his visit to England in November, 1899, "know little of the Continent. They do not know much more of continental conditions than we do of those in Peru or Siam. To our ideas, they are rather naïve." He would certainly have repeated this observation and perhaps with some additional emphasis if he could have read this memorandum. Beyond all doubt Crowe honestly set down what was the belief of most British Ministers and of the vast majority of the British people in the spring of 1904, yet the student who has the diplomatic record of these years before him may wonder at the simplicity which is thus revealed. Whatever epithets might be used to describe the Franco-Russian Alliance, it was in the eyes of all Europe a military combination in opposition to the Triple Alliance, and the notion that the adhesion to it of "peace-loving England" would be regarded as an additional guarantee of peace by Germany was, to say the least, extremely insular. The same must be said of Crowe's argument about the Russo-Japanese war. The diversion of Russia from Europe to the Far East had for long been regarded with

anxiety by the French who saw the military and financial resources of their ally being drained on a distant enterprise, which would keep her permanently away from Europe if it succeeded, and be a disastrous blow to her if it failed. It is impossible to believe that this was not in the minds of the French when they decided to look for new support. In April, 1904, the judgment of Europe was that the casting vote of Great Britain—the one great prize remaining to the two Alliances—had been given to the anti-German combination.

Nor, looking back to what had gone before, is it easy to believe that this was not to some extent in the mind of the British Foreign Office. We have seen from 1898 onwards the gradual breakdown of "splendid isolation" as a fixed principle of British policy. Salisbury's argument that Great Britain was safer standing alone than in alliance or in association with any other Power had for its major premiss the assumption that the British fleet would be equal to any combination against it. But doubts on this subject had now for some years haunted the minds of British statesmen, and they took very definite shape in 1900 when the Germans produced their first great naval scheme with a memorandum attached to it which plainly showed that it was aimed at Great Britain. This plain warning that they would shortly have a new challenge to meet in home waters was undoubtedly one of the causes which led British Ministers to the conclusion that they needed an ally in the Far East, and thus helped to bring about the Japanese Alliance, which was the first definite breach in the traditional policy. But during the whole of this period the question had been argued between British and German Ministers in terms of world policy, Chamberlain in particular being vehement in his contention that isolation had become too dangerous, in either Europe or the world at large, and that it was necessary to find an alliance, preferably with Germany, but if Germany declined, then with France.

Germans who had heard this argument from Chamberlain's lips were unlikely to accept the minimizing version which reduced the Anglo-French Entente to a settlement of colonial questions remote from European affairs. They did not accept it; they interpreted the Entente from the beginning as the partnership which Chamberlain had said them would be sought with the other European group

if Germany declined it, and it was an extremely unpleasant surprise to them that British and French should have healed their quarrels. For up to the last Bülow and Holstein had continued to believe that an understanding between England and France was so improbable a contingency that it could safely be ignored until the time came for Germany to purchase British support on her own terms. To hold back whenever Britain seemed to advance, and even, when she came too near, to slam the shop door in her face, had been Holstein's idea of the right way to bargain with the nation of shopkeepers; and he now woke up to the fact that he had missed his market.

British policy up to this point had been haunted by a continuous doubt whether Great Britain was, and if so to what extent, a European Power in the sense that Continental nations understood that expression. To her neighbours she had seemed to be half in and half out of Europe, and when she would intervene in their affairs and when declare herself disinterested was for many of them the chief unknown quantity in the equation of power-politics. From April, 1904, onwards she was in their eyes at least a Western European Power with a high probability that her commitments would not be confined to the West.

CHAPTER XXI
GERMAN REPRISALS

1905

I

THE consequences of the British-French Entente were not revealed until the following year. This year (1905) stands out in the record as one of the red letter years of modern times.

Deeply as she felt her reverse when the conclusion of the Entente became known, Germany had decided to hide her time. King Edward visited the German Emperor at Kiel in July, 1904, and his reception was said to have been cordial. In the same month a British-German arbitration treaty was concluded on the same lines as the British-French treaty of the previous October. Bülow told the Reichstag that there was no reason to fear that German interests which he described as "essentially economic" would be damaged by the British-French Convention, and he seemed to go out of his way to suggest that Germany had no political interest in Morocco. There were grumbings behind the scenes at the omission of certain formalities and courtesies; the British had left the French to apprise the Germans of the Convention, and the French had omitted to do so. These lapses were to assume considerable importance in after years, when it became a chief part of the Kaiser's complaint that he had been treated as of no account, but at the time they seemed trivial.

In the next few months, however, events took place which profoundly affected the situation in Europe, and gave the Germans a new and dangerous opportunity. Instead of marching to her expected triumph, Russia suffered disaster upon disaster in the Far East, and after losing her fleet, exhausting her military power, and coming near revolution, was fortunate to escape loss of territory and the

payment of indemnities—humiliations which were only spared her by President Roosevelt's skilful steering of the negotiations which ended in the Treaty of Portsmouth. (August, 1905.) The German Kaiser was astonished and shocked at the course of events, and after his incitements to the Tsar to challenge Japan and his reiterated promise to guard Russia's rear in Europe, it might have been supposed that he would refrain from taking advantage of it to make trouble for her ally in Europe. But to the real politicians of Berlin considerations of this kind were altogether quixotic. Bülow and Holstein were clear that Germany's favourable moment had come and that not to take advantage of it to strike a blow at the British-French Entente would be a positive dereliction of duty. Military opinion was strong on the point and Count Schlieffen, the Chief of the Staff and author of the plan for the invasion of Belgium, "was in favour of the earliest possible thorough cleaning-up with France at arms. No waiting ten or twenty years for a world war, but so thorough a settlement that thereafter there should be no fear of a world war. France should be provoked until she had no course left but to take up arms."¹

In the meantime the war in the Far East had been attended by incidents which heated the atmosphere in Europe. On October 21, 1904, the Russian fleet on its way to its doom at Tsushima fired on the Hull fishing-fleet, sinking one trawler, killing two men and wounding six, and injuring other boats. This was at first thought to be a deliberate outrage, and an indignant public demanded instant redress. The Government at one moment came near to giving orders to the British fleet to intercept the Russian, but cooler counsels prevailed and a week later the Prime Minister was able to announce that the Tsar had expressed his regret and that an international Commission would investigate the circumstances with a view to the punishment of any responsible parties.² The Tsar, never-

¹ Nowak, "Germany's Road to Ruin" (generally accepted as expressing the ex-Kaiser's views), English translation, p. 302.

² The Commission composed of British, Russian, French and American Admirals, with an Austrian Chairman, met in Paris early in 1905, and while absolving the Russian Admiral and his officers from any discredit attaching either to their "military qualities" or to their "humanity" reported that the

theless, was sore and angry at what he considered to be his harsh treatment over this incident, and it left him very ill-disposed to Great Britain.

This was by no means the only incident which caused trouble. At the beginning of October, Lansdowne warned the German Ambassador that if Japan became involved in war with Germany through breaches of neutrality, Great Britain would be bound under her treaty to intervene. Thereupon the Kaiser wrote angrily to the Tsar (Willy to Nicky) that he was being threatened with British opposition if he permitted German coal to be sent to the Russian fleet on its way out to the Far East, and this new danger, he said, "would have to be faced in community by Russia and Germany together who would both have to remind your ally, France, of the obligations she had taken over in the Treaty of Dual Alliance with you, the *casus fœderis*." "It is out of the question," he added, "that on such an invitation France would try to shirk her implicit duty towards her ally. Though Delcassé is an *Anglophil enragé*, he will be wise enough to understand that the British fleet is utterly unable to save Paris! In this way a powerful combination of three of the strongest continental Powers would be formed, to attack whom the Anglo-Japanese group would think twice before acting."¹

When it came to the point the Kaiser shrank from putting the question of neutrality to the test and left the Hamburg-America line to do the coaling, if it could, at its own risk. But he incited the Tsar to bring his Black Sea fleet through the Straits to join up with his Baltic fleet, and endeavoured to persuade him that, if he acted boldly and presented the British with the accomplished fact, he would suffer nothing worse than an ineffectual explosion of temper on their part. In view of the known relations of Great Britain and Japan, there could scarcely have been more reckless advice. The Tsar had the good sense to take soundings in London with results that decided him not to risk that stroke.

fear of hostile torpedo boats which caused them to fire was not justified. Upon this the Russian Government paid compensation and the affair was wound up.

¹ G.P. XIX. No. 6118.

The Kaiser was in a state of great agitation all through this period. He saw many promising possibilities, the possibility of punishing France, of bringing Russia back into the German constellation, of forming the great combination of European Powers which would put Britain in her proper place. But when it came to action his ideas wavered, and always at the back of his mind was the thought that an attack by Japan and Britain upon Germany in Europe would, as he said to the Tsar, be ruinous to "my poor fleet." Bülow and Holstein were more resolute, and by October, 1904, they had mapped out a plan of campaign in two parts, one of which consisted in throwing a challenge to France in Morocco with the evident intention of testing the British-French Entente, and the other of an effort to wean the Tsar from his alliance with France and to use him to bring France into a position of dependence on Germany. In both a leading part was assigned to the Kaiser who appears to have been assured that if this plan were carried through Great Britain would be powerless to intervene.

The details stand outside British history, but the events which followed were generally in accord with this programme. The Kaiser threw the challenge to France by a spectacular landing at Tangier (March 31, 1905) in which he assured the Sultan, who at that moment was resisting the French plan for reforming the administration of his country, of his friendship and his desire to protect him. Bülow, the German Chancellor, then opened a diplomatic offensive in Paris and in extremely menacing language demanded that the whole question of Morocco should be submitted to an international Conference. The French were greatly alarmed, and thought to appease the Germans by sacrificing their Foreign Minister, Delcassé, the author of the British Entente, who had specially incurred the wrath of Bülow (June 6). The sacrifice was in vain. So far from being appeased, Bülow increased his threats and instructed the German Ambassador in Paris to say bluntly to Rouvier, the French Prime Minister, that "if France attempted to change in any way the *status quo* in Morocco, Germany would stand beside the Sultan with all her forces." Rouvier was beside himself with mortification and anger, but with her ally

hopelessly tied up at the other side of the world, and her new friend, Britain, pledged to nothing more than diplomatic support, he judged that France was in no position to make war, and after a show of resistance signed an agreement accepting a Conference on the basis proposed by the Germans (Sept. 28). Even so the trouble was not over. Right up to the end of the year the Germans continued to use blustering language, which led the French to believe that when the Conference met they would break it up by making impossible demands and proceed to war.

3

This was the first part of the Bülow-Holstein plan, and to all appearance it had complete success. The second part, the approach to the Tsar, was opened cautiously in October, 1904, by a correspondence between Kaiser and Tsar in which "Willy" condoled with "Nicky" over the Dogger Bank incident, and led the latter to say it was "high time that Germany, Russia and France should unite upon arrangements to abolish English and Japanese arrogance and insolence." The Tsar suggested that the Kaiser should frame the outline of a treaty for this purpose and was rash enough to say that as soon as such a treaty was accepted by Russia and Germany, France would be bound to follow. Bülow and Holstein proceeded to draft a treaty on these lines. The first and most important clause ran :

In case one of the two Empires is attacked by a European Power, its Ally will aid with all its forces on sea and land. The two Allies, in case of need, will also act in concert to remind France of her obligations under the Franco-Russian Treaty.

Seeing it in black and white the Tsar had misgivings. He wanted a clause added by which Germany would guarantee to defend the conquests he expected to make in the Far East. Worse still, he wanted the Treaty shown to the French before it was signed, which the Kaiser thought, not without reason, would be "absolutely dangerous." For the time being the Treaty was pigeon-holed.

But by July of the following year the whole situation had changed. The Tsar, instead of making the conquests he expected, was now in desperate plight ; and the French had been cowed into submission.

Thus, in Bulow's eyes, was the moment for the second part of his programme, and he arranged that Kaiser and Tsai, both of whom happened to be cruising in their yachts in the Baltic, should meet off Bjorkoe, a small island in Finnish waters (July 24). What followed is described by the Kaiser in a letter to Bulow, which is unique in its mingling of guile, sentiment and religiosity. The Kaiser consulted the scriptures before going on board the Tsai's yacht; the two monarchs fell into each other's arms, tears glistened in their eyes, the Kaiser condoled with the Tsai over his misfortunes in the Far East, his desertion by his false friends the Finns, the indignities they had both suffered at the hands of King Edward, and induced him to say that Germany was Russia's "only real friend in the whole world". At exactly the right moment he produced the October Treaty now brought up to date, ("which quite by accident I happen to have in my pocket") and induced the Tsar to sign it, there on the spot in the cabin of the yacht. The Treaty in its amended version ran as follows:

In case one of the two Empires should be attacked by a European Power its Ally will come to its aid in Europe with all its forces on land and sea.

The high-contracting parties pledge themselves not to make a separate peace with any common enemy.

The Emperor of all the Russias, will, after this Treaty comes into force, take the necessary steps to inform France of this agreement and to pledge her to associate France with it as an Ally.¹

The Kaiser returned to his yacht in a state of high enthusiasm and exaltation, convinced that he had achieved the greatest stroke of statesmanship in modern times.

It was nevertheless a complete fiasco. On scrutinizing the signed draft Bulow perceived that the Kaiser had on his own authority introduced the limiting words "in Europe" into the first clause, and said at once that this took all the sting out of it. One of its main objects, he protested, was that in the event of England attacking Germany or joining France in an attack on Germany, Russia should help by invading India. With Russian aid confined to Europe, the Treaty would merely incite England instead of restraining her. High

¹ G.P. XIX (2), No 6220 *et seq.*

words passed between Chancellor and Kaiser, the former tendering his resignation, and the latter threatening to commit suicide. "The morning after your resignation would fail to find the Kaiser alive. Think of my poor wife and children." In the meantime the Treaty was being examined in Russia, and Lamsdorff, the Russian Foreign Secretary, was, for different reasons, as hostile as the German Chancellor. He saw in it an act of perfidy which would be ruinous to Russian statesmanship; he did not believe that France would submit when faced with the accomplished fact; he saw Russia, having lost her one friend, passing again under the German yoke. The Grand Duke Nicholas abounded in the same sense, and though the pro-German party fought a stubborn rear-guard action, the Tsar yielded to the view of his advisers that there could be no alliance with Germany without the consent of France, which was as good as saying never.

4

The failure of the Bjorköe Treaty ended the dream of the "Continental League against England" which had fitted through the minds of German statesmen at intervals in the previous ten years. In 1895 Bülow and Holstein had discovered that France could not be persuaded, but in 1905 they hoped that she might be coerced by the joint pressure of Russia and Germany. When Russia refused to play this part, there remained nothing for Germany but to threaten and frighten the French, and this she continued to do all through the autumn and early winter of 1905. The Kaiser, who in after years represented himself as the innocent victim of his Ministers in these transactions, rewarded Bülow for the fall of Delcassé by making him a Prince, and made provocative speeches about "dry powder and well-sharpened swords." German Ambassadors talked ominously of what would happen if, at the Conference to which she had reluctantly consented, France resisted the demands of Germany in Morocco.

It was a difficult and embarrassing situation for the British Government, which now realized that their promise of "diplomatic support" had brought them into the heart of the European quarrel. There could be no mistaking the fact that the browbeating of France was the return blow for her Entente with Britain. The ground chosen

was precisely that on which British and French were publicly pledged to act together, and on which a rebuff to France was 'almost in the same measure a rebuff to Britain. But the British people were altogether unprepared for any war-like development. The diplomatic duel between French and Germans had, in its most serious aspects, been behind the scenes; the German attempt to seduce Russia was not known till long after, and in England all thoughts were concentrated on the fiscal question and the coming general election. The Germans professed to have evidence that England had made an offer to France to enter into an offensive and defensive alliance with her against Germany, and it was even said that in the event of war she was prepared to land an expedition in Schleswig-Holstein. Apart from the specific denial given by Lansdowne to this story both to the German Ambassador and in an official communication to the German Government, no one who was acquainted with British opinion or with the thoughts and apprehensions of British Ministers could have given it a moment's credence.¹

The farthest point to which Lansdowne went in these months was to intimate to Delcassé that the British Government would be prepared to join the French in offering strong opposition to any demand by Germany for a port in Morocco. In all else his attitude was that the two Governments "should treat one another with the most absolute confidence," that they should "keep one another fully informed of everything that came to their knowledge, and so far as possible discuss any contingencies by which we might in the course of events find ourselves confronted." He was not consulted by the French about the German demand for the dismissal of Delcassé, and was only a disgruntled spectator of that event. "The fall of Delcassé is disgusting and has sent the Entente down any number of points in the market," he wrote to a friend, but he did nothing and was not asked to do anything. Nevertheless the possibility of a war in which England would be involved, if not as the friend of France at least as the guarantor of Belgian neutrality, had at least to be considered, and Lansdowne permitted plans for military and naval co-operation to be discussed by the competent authorities in the two countries.

¹ For the evidence on this subject see G. Gooch's "Before the War," Vol. I, p. 58.

The naval discussions were direct between the two Admiralties, but the military discussions were conducted through an intermediary.¹

5

The circumstances being what they were, he could have done nothing less. If the possibility of a war in which the two countries would be fighting together had to be considered, it was the plain duty of both Governments to be ready with a plan for concerted action. Nevertheless, the military conversations marked a definite step forward in the evolution of the Entente. It was no longer possible to regard the Anglo-French Convention as a mere settlement of colonial questions remote from European politics. The shock-tactics of the Germans on the chosen ground of Morocco had made it a European issue of the first importance, and the two friends were now challenged in an arena in which a promise of "diplomatic support" was likely to be of little value, unless there was at least a presumption that it would be followed, if sufficient occasion arose, by support in arms. The action of Germany in 1905 had gone far to establish that presumption before Lansdowne left office, and British Ministers already shrank from the thought of leaving France in the lurch if she were exposed to retaliation for the offence of having made friends with us.

France as well as Great Britain sincerely desired to keep the peace. After the fall of Delcassé, French diplomacy was cowed and embarrassed, British cautious and correct. Both Rouvier and Lansdowne studiously refrained from saying or doing anything that could give a handle to the Germans. King Edward was less discreet, and it was largely by his conduct in these months that he earned himself the reputation of being the author of the "encirclement policy" and the leader of the anti-German movement in Europe. He twice visited Paris in 1905, once before and once after the fall of Delcassé, and was outspoken in his censure of his nephew's proceedings and in his expressions of sympathy with the French Minister. On his second visit he saw Delcassé more than once, and "strongly supported his views" though he was now out of office. He also saw Prince Radolin, the German Ambassador in Paris, and to him also he "frankly spoke of the dangerous situation his nephew was provoking." In August

¹ Grey, "Twenty-five Years," Vol. II, p. 76.

when he went to Marienbad for his cure, he refused to see the Kaiser on either his outward or his homeward journey, and a little later he declined an invitation from the Kaiser to the Prince of Wales to visit Berlin, whereupon the Kaiser refused to let the Crown Prince visit the King at Windsor. The Kaiser made angry complaints about the King's attitude to the British Ambassador in Berlin, but the King was not to be moved, and various peace-makers tried their hands in vain. Relations between uncle and nephew were now at their worst,¹ and the things they were supposed to have said about each other were repeated with many embellishments in all the Courts and Chancelleries. King Edward's attitude heartened and encouraged the French, but it was not a help to British-German relations that they should take on the colour of a personal and dynastic quarrel.

¹ "Life of King Edward," Vol. II, p. 342.

CHAPTER XXII

CAMPBELL-BANNERMAN'S GOVERNMENT

1905

I

DURING the autumn of 1905 Balfour was still telling his friends that the state of foreign affairs required him to hold on, though many of them thought his parliamentary circumstances to be humiliating and dangerous to their party. But holding on required the forbearance of the Chamberlainites who were strong enough to defeat him. At the beginning of November they broke out into loud complaints against his equivocal leadership, and at the meeting of the National Union of Conservative Associations at Newcastle on November 14, succeeded in passing over his head a resolution demanding the undiluted Chamberlain policy. Five days later, at a meeting of the Liberal Unionist Council, Chamberlain protested vehemently against further concessions to the Free Trade minority, and compared the Unionist party to an army which was being led into battle on the principle that the lamest man should govern its march.

It was evident by this time that if Balfour waited for the reassembling of Parliament, the Chamberlainites would make his position impossible, and he now decided to resign at once of his own free will. In this he was probably influenced by the fact that the Liberal party had fallen into one of its periodical crises on the Irish question, and by so doing afforded him a chance of diverting the issue from the dangerous subject of Tariff Reform to the more favourable ground, as he considered it, of Ireland. Accordingly on December 4 he tendered his resignation to the King.

At the moment it seemed a shrewd calculation, for the Liberal leaders were in fact in great confusion. On November 23 Campbell-

Bannerman had made a speech at Stirling in which, as leader of the party, he outlined the Irish policy which he and his colleagues proposed to lay before the country at the coming election. It was what was known at the time as the "step by step" policy—that of advancing by stages each of which was to be "consistent with" and "to lead up to" the final achievement of Home Rule. Campbell-Bannerman, who was a staunch Home-ruler, had accepted it with considerable reluctance, and thought it a handsome concession to the weaker brethren who feared to face the electors for the third time with a full measure of Home Rule. But Rosebery, the principal spokesman of these doubters, was not appeased, and two days later (Nov. 25) in a speech at Bodmin he protested strongly against what he termed the raising of the Home Rule banner as likely to divide the Free Trade party, and to postpone indefinitely the social and educational reforms on which the country had set its heart. In a clinching sentence he said "emphatically and explicitly and once for all" that he "could not serve under that banner."

The speech was the sensation of the hour, and for a few days it seemed as if the Liberal leaders were once more hopelessly divided, and this time at a moment when unity was essential, if the expected victory was not again to slip from their grasp. Unionists were delighted, Liberals in despair. But on this occasion Rosebery proved to be the solitary schismatic, for it appeared that, without knowing it, he had launched his bolt against a formula which his own particular friends, Asquith, Grey and Haldane, had accepted in consultation with Campbell-Bannerman, and by which therefore they were as much bound as Campbell-Bannerman. Rosebery felt aggrieved that these three, who were Vice-Presidents of the Liberal League of which he was President, had not informed him of the facts, but the plain truth was that this League had ceased to play any important part after the peace in South Africa and that the Vice-Presidents had forgotten its existence.

Grey explained the circumstances in a speech at Newcastle on November 27 and made a gallant attempt to treat the Bodmin speech as a misunderstanding. But Rosebery's language had been too emphatic for this smoothing, and this time Campbell-Bannerman was in no mood to reopen the door which the public judged had been banged in his face. For months past the problem of fitting Rosebery

into a Liberal Government, or making a Government without him, had been a subject of uneasy speculation among Liberal leaders. He had kept his own counsel as to whether he would or would not serve, and many inquirers, including King Edward, had retired baffled from the attempt to fathom his intentions. To Campbell-Bannerman the Bodmin speech came as an easy way out of the difficulties which he foresaw, if he either invited Rosebery or failed to invite him to join his Government, and he was firm against reopening a question which Rosebery had answered without being asked. This absolved him from all blame and at the same time relieved him of the necessity of accepting as a colleague the brilliant ex-Prime Minister, whose wayward and unaccountable temperament was unlikely to adjust itself to the Radical movement now on the march.

2

For many months past there had been no question that when the time came Campbell-Bannerman would form the new Government. He was the choice of the rank and file of Liberals, and the choice also of King Edward, who had a great personal liking for him and judged him to be the most sensible of the Radical leaders. In the previous summer, when they were both at Marienbad, the King had gone out of his way to intimate to him that he would receive the royal summons.¹ But there were considerable difficulties when the summons came. Not a few of his colleagues believed that Balfour's resignation was a trap, and were strong on the point that if the Liberal party took office before an election they would transfer the offensive to their opponents and stand to be attacked instead of attacking the outgoing Government. Balfour, they said, should be compelled to resume office and go on to the bitter end, as Gladstone had been in 1873. In the last week of November, Campbell-Bannerman, being warned that the time was approaching, took the precaution of collecting the voices on this subject, and the majority were for declining office till

¹ M. Halévy is, I am sure, wrong in thinking that the choice would have fallen on Lord Spencer if he had not been incapacitated by illness. Greatly as Lord Spencer was respected, the great majority of Liberals were determined that Campbell-Bannerman, and no one else, should be Prime Minister, and King Edward had made it clear that he and no one else would be "sent for."

after the election. The results of the election, they said, were uncertain; all the tactical advantages would pass to the other side, the Rosebery split would be exploited to the utmost, and Free Trade would pass into the background if they relieved Balfour of his responsibilities. Campbell-Bannerman listened patiently, but he never had any doubt in his own mind. Balfour's Government, as he said afterwards, had lived on tactics and died of tactics, and he would have no manoeuvring or shirking of responsibility when the opportunity came to him. Refusal to take office would not be in keeping with the clamour they had made that Balfour should quit office.

Characteristically he remained in Scotland while his colleagues and the party managers debated this question, and only at the last moment came up at the King's summons, arriving on Monday morning, December 4, the day of Balfour's resignation. Then he set to work at once in his own house (29 Belgrave Square) to form his Government, and at the beginning all went smoothly. It was arranged that Asquith should be Chancellor of the Exchequer, and Asquith came away with the impression that Sir Edward Grey would be Foreign Secretary. But at ten o'clock Grey himself came to Belgrave Square, "all buttoned up and never undoing one button," as Campbell-Bannerman afterwards put it, and announced firmly that he and Mr. R. B. Haldane, a famous lawyer, and one of the most prominent of Liberal Imperialists, would not join the Government unless he (Campbell-Bannerman) went to the House of Lords and left the leadership in the House of Commons to Asquith. This was a disagreeable shock which was scarcely softened when on "kissing hands" the next day, the King too spoke of the possibility of his taking a peccagot to relieve the strain on his health. There seemed to be a plot to remove him from the House of Commons in which the King himself had been enlisted. Even so, he did not quite close the door but reserved his decision until his wife—the "authority" whom he considered final on all subjects political as well as domestic—came from Scotland.

She came on the Wednesday morning (December 6) and declared at once for "no surrender." He might have this modesty for himself, but she was not going to stand by and see him lower his flag to men who had attacked and criticized him all through the lean and hungry

years of opposition, and now wanted to put him on the shelf when the victory was in his hands. His final refusal was accordingly conveyed through Asquith to Grey, who returned a reasoned and polite answer which seemed definitely to close the door on his side. There was despair behind the scenes. It seemed as if Balfour had not been so far wrong in his calculation that a well-timed resignation on his part would again split the Liberal party.

In default of Grey, Campbell-Bannerman was in great difficulty about finding a Foreign Secretary who would inspire confidence. His first thought had been Lord Elgin—an ex-Viceroy of India, but otherwise little known to the public—whom on second thoughts he had appointed as Colonial Secretary. He had next cabled to Lord Cromer, the ruling genius in Egypt, a man of great reputation, but except that he was a strong Free Trader, not associated with Liberal politics. Cromer replied that he was far from well and had not the health or strength to undertake the work. During the next twenty-four hours he thought of other possible names, some of which filled his colleagues with dismay. John Morley wrote a warning letter against appointing "light weights" who had no experience and were little known to the public. "The F.O.," he said, "is a terribly weak place in your armour."

Asquith was in a difficult position. He and Grey and Haldane had undoubtedly arranged to act together in inducing Campbell-Bannerman to go to the Lords, and it had been supposed that all three would stand out if they failed. But in Asquith's view this arrangement assumed that the Government would be formed after the election, when a difference between the leaders could not affect the result, whereas now it was being formed before the election, when it almost certainly would. In the circumstances, as they now were, he was not prepared to take the risk of dividing the party, and he frankly told his two colleagues that he intended in any circumstances to act as Chancellor of the Exchequer under Campbell-Bannerman. In the end Grey took the same view, but not for another twenty-four hours, during which old friends¹ had put it very plainly to him and Haldane

¹ Especially Mr. Arthur Acland, Minister for Education in the 1892 Government, whose influence on Grey during his early life was probably greater than of any other political friend or colleague.

that they were not entitled for the point they had raised to inflict a heavy blow on the party and the Free Trade cause on the eve of a General Election.

3

The transaction is worth examining, for it left behind it an aftermath of suspicion which was not quite dispelled up to the eve of the Great War, and even now plays a part in current versions of British politics. In particular, it is supposed that Grey and Haldane entered into a deliberate intrigue (to which Asquith was a party) to compel the new Prime Minister to give them, as representing the Liberal Imperialist group, the key positions of Foreign Secretary and Minister for War in the new Government. The facts themselves dispose of this idea. Grey's reluctance to take office was entirely genuine, and in keeping with his whole character and disposition at this time, and indeed later. In December, 1905, he felt deeply his severance from Rosebery, with whom or under whom he had hoped to serve if he took office again. Also he sincerely believed that the views which he held would only have their chance in the new Parliament if Asquith were given more authority in the House of Commons than he would have as Chancellor of the Exchequer and deputy-leader. But it was difficult to persuade him that any action on his part could be a matter of public importance, and his reluctance was only overcome when it was put to him very forcibly that he would be injuring his political friends and their cause if he stood out.¹

The idea that he was manœuvring to obtain the Foreign Secretaryship for himself, or the War Office for his friend Haldane, is clearly without foundation. From the beginning Campbell-Bannerman wished him to be Foreign Secretary, and any pressure to secure that

¹ See Grey, "Twenty-five Years," Vol. I, p. 62 *et seq.*

"There had not been differences about foreign policy, but there had been about Imperial affairs, such as the South African War and the Sudan, and my view was that Asquith would be the more robust and stronger leader in policy and debate in the Commons." Lady Grey, like Lady Campbell-Bannerman, played an important part; "When my wife said that refusal could not be justified to the constituents I felt that this was indeed the truest and most decisive judgment in the matter."

place would have been forcing an open door. As to the War Office, it was in those days thought to be the grave of reputations, and Campbell-Bannerman was supposed to have said rather grimly "serve him right," when Haldane, whom he thought to be the conspirator-in-chief, was consigned to that tomb. More was decided in these days than any of the participants were aware, and it is difficult not to reflect on the possible differences in British policy, and even world affairs, if the little conference in Acland's flat in Buckingham Gate which ended near midnight on Thursday, June 7, in Grey's decision to join the Government, had come to a different conclusion.

It may be added here that the doubts about Campbell-Bannerman's health and capacity to lead in the House of Commons were by no means without foundation. Within a week of taking his decision he received a letter from his physician at Marienbad begging him to accept a peerage, and warning him that if he did not he would in all probability sign his own death-warrant. He was in fact suffering from heart trouble which might become serious under any heavy strain. Health apart, he was not a ready debater or prompt in the tactical moves which are expected from a leader in the House of Commons. For two and a half years Balfour had evaded him, and his homely and patient methods had seemed ineffective beside the skill and subtlety of the Prime Minister.

But though Parliamentary critics noted these defects, they were offset by precisely the qualities for which the country was looking at this moment. It was mainly through his contrast with Balfour—the supposed simple man against the sophisticated, the plain-speaker against the brilliant dialectician, the straight-ahead leader against the tactician—that "C-B" won the confidence of the rank and file of the Liberal party, and of a great multitude outside. They thought him courageous and honest, they had seen him standing to his guns in a storm of popular disapproval, they were tired of tactics and dialectics, and wanted a leader who could be relied upon to eschew both. Two years later Grey was very handsomely to acknowledge that "all his forecast before the election" had been wrong, and that "C-B's" presence in the House of Commons had been "not only desirable but essential."

The Grey incident being wound up, the rest was plain sailing, and

a Ministry was formed which still has the appearance of one of the ablest in modern times. A Cabinet which contained Asquith, Grey, Haldane, John Morley, James Bryce, Augustine Birrell, Crewe, Lorneburn and Lloyd George, could not fail for lack of ability or intellectual accomplishments. With its entrance on the scene the Government of the country passed into the hands of the Liberal party for a period of nearly ten years.

CHAPTER XXIII

LIBERALISM IN POWER

1905-6

I

ON December 20, 1905, the new Prime Minister, Sir Henry Campbell-Bannerman, addressed his supporters assembled in the Albert Hall in a speech covering the whole field of home and foreign affairs. Some irony may be read into it by those who know what was happening in Europe at this moment and what was to follow in the subsequent years. Looking abroad he said that "the outlook was most pleasing." The Entente with France was good, the treaty with Japan was good, and "in the case of Germany there was no cause whatever for estrangement in any of the interests of other people." This at the time was the view of the uninitiated Liberal who saw no reason why friendship with France should exclude the best relations with Germany or any other Power. It nevertheless seems strange that the outgoing Prime Minister and Foreign Secretary had not informed their successors of the realities behind this "most pleasing" appearance—the dangerous and still undecided conflict between France and Germany, the threat of war which still overhung Europe.

The country was wholly occupied with its domestic affairs—Free Trade, Chinese Labour, the Education question, Temperance, and on all these the Prime Minister promised a straightforward progressive policy in contrast with the "tactics" on which the late Government had lived and died. Undoubtedly the new Government made a good impression. If Unionist party managers had seriously calculated on their appearance before the election to frighten the electors and drive them back into the arms of Balfour and Lansdowne, they were quickly

undecieved The popular press, always quick to scent a change of wind, said they were a good-looking team which ought to be given a fair trial The elections, which began on January 12, and according to the practice of those times were spread over nearly three weeks, showed that this was overwhelmingly the opinion of the voters North, south, east and west, the Liberal and Radical tide swept over the country, demolishing the strongest Conservative strongholds and even submerging the Home Counties Balfour was defeated at Manchester, and several other Ministers lost their seats Young men who had fought forlorn hopes with no thought of winning found themselves to their surprise, and sometimes to their embarrassment, suddenly projected into Parliament The results far exceeded the most sanguine estimates of Liberal party managers The one consolation of the Protectionists was that the Midland area, Joseph Chamberlain's citadel, remained intact Through it all that extraordinary man remained a prophet in his own country, and continued to cheer his followers with the thought that their opponents had been given more than enough rope to hang themselves It was certainly a very long rope When the last returns had been declared, the Liberals alone, without Irish or Labour, were 377 strong to an Opposition total of 157 including Chamberlainites (109), Balfourites (32), and Union & Free-fooders (11) The Irish were the usual 83, and Labour 53, of whom 24 were allied to the Liberal party, and the remaining 29 nominees of the Labour Representation Committee, and pledged to sit and vote independently under the name of the Independent Labour party

Party feeling ran high during the elections Liberal and Radical partisans took a malicious pleasure in exploiting Chinese Labour against opponents who had used the war for their discomfiture at the election of 1900 The agitation on this point went a good deal beyond what the incoming Ministers thought prudent or seemly, and before the election was over the Prime Minister found it necessary to qualify the promise he had given in his Albert Hall speech to "stop forthwith the recruitment and embarkation" of the coolies Licences for the embarkation of no fewer than 14,000 had been granted in the previous November, and it was the unanimous opinion of the Law Officers that these could not be cancelled without special legislation including compensation for the licence-holders Campbell-Bannerman had

now to explain that he meant the word "forthwith" to apply only to further embarkations when those already authorized were exhausted. He and his colleagues decided, meanwhile, that however strong the emotions of the electors might be, a Bill requiring them to pay compensation to the mine-owners of the Rand would be a damaging anticlimax and an inauspicious beginning of the new Parliament. The solution in the end was to come from the Transvaal itself, which before the end of the following year was to discover the moral and economic disadvantages of this form of labour.

2

On January 10, when British Ministers were scattered all over the country and thinking of nothing but the elections, M. Cambon, the French Ambassador, came to see Grey at the Foreign Office and uttered the word "war." He did not believe, he said, that the German Emperor wanted war, but he was pursuing a very dangerous policy, and had so incited public opinion and military opinion in Germany that a pacific issue would be difficult. Some months previously Lansdowne had expressed the opinion that the British and French Governments should discuss "any eventualities that seemed possible" and steps had been taken in that direction. At the time "it had not been considered necessary to discuss the eventuality of war but it now seemed desirable that this also should be considered," and "it was of great importance that the French Government should know beforehand whether in the event of aggression against France by Germany, Great Britain would be prepared to render to France armed assistance."¹

Grey replied that it was out of his power to give any immediate answer to this question. Not only were Ministers dispersed, but they were not as yet aware of "the sentiments of the country as they would be expressed at the polls." All he could do was to "state as his personal opinion that if France were to be attacked by Germany in consequence of a question arising out of the Agreement which the previous Government had concluded with the French Government,

¹ Grey, "Twenty-five Years," Vol. I, Ch. VI; "Life of Campbell-Bannerman," Vol. II, Ch. XXX.

public opinion in England would be strongly moved in favour of France."

Cambon said he understood this and would repeat his question after the elections, but in the meantime he asked that unofficial communications might be sanctioned between the British Admiralty and War Office and the French Admiralty and War Office, "as to what action might advantageously be taken in case the two countries found themselves in alliance with such a war." Some such communications had already taken place, and he suggested that they might be continued. Grey "did not dissent from this."

Communications had in fact been going on since the previous May when Lansdowne had expressed the view that they were desirable. From that time the French Naval Attaché had been in touch with the British Admiralty, and the French Military Attaché had communicated with the British War Office through an intermediary, Colonel Repington, the military correspondent of *The Times*. Grey left the naval conversations to take their course, but after communicating with the Prime Minister and consulting with Haldane, the new Secretary for War, arranged that the military conversations should in future be between the French Military Attaché and the War Office. This he conveyed to Cambon on January 15, but said explicitly that it must be understood that these communications did not commit either Government to action.

The French Ambassador came again to the Foreign Office on January 31, when the elections were over, to repeat his question—would France be able to count on the assistance of England in the event of an attack upon her by Germany? To this Grey replied in effect that France had better leave well alone. The military and naval conversations were proceeding, so that if a crisis came no time would have been lost. Further, he had told Count Metternich, the German Ambassador, as his personal opinion, that in the event of an attack upon France arising out of the Anglo-French Morocco Agreement public feeling in England would be so strong that no British Government could remain neutral, and this, he had good reason to believe, had had the desired effect in Berlin. Finally, if the British Government were to extend their pledge beyond diplomatic support they would require to be consulted about French policy in

Morocco and to place themselves in a position to press upon the French Government concessions and alterations to their policy which might be desirable to prevent a war.

When Cambon pressed for "some form of assurance which might be given in conversation," Grey replied that no such assurance could be anything short of a "solemn undertaking," and before that could be entered into it would be necessary to consult both Cabinet and Parliament. What the Ambassador asked was nothing less than the conversion of the Entente into a defensive alliance. Pressure of circumstances might render this necessary, but it could not be done secretly or without the sanction of Parliament, and the pressure of circumstances was not yet so great as to demonstrate the necessity of such a change.

With that Cambon had to be content. Grey shrewdly observed that he could safely emphasize his "personal opinion" in speaking to the German Ambassador, since if he had overestimated the feelings of his countrymen, there could be no disappointment in Germany, whereas he would be in danger of misleading the French if he put it too emphatically to them. His general view was that the English people would not be prepared to fight merely to put France in possession of Morocco, but that they would be if it appeared that a war was being forced on France by Germany to break up the Entente.

It was a testing occasion for a comparatively young man new to high office, and Grey felt it so. "I had tremendously difficult talk and work yesterday, and very important. I do not know that I did well, but I did honestly," he wrote to his wife the following day.¹ The position defined in this interview was maintained right up to the outbreak of the Great War.²

3

It is a strange circumstance, which in after days became a subject of complaint with some Ministers, that this exchange of views between Grey and Cambon, and the formal sanction given to the "military

¹ "Twenty-five Years," Vol. I, p. 82.

² The Documents for the exchange of views between Grey and Cambon are printed in Gooch and Temperley, Vol. III, pp. 160 *et seq.*

conversations" were not reported to the Cabinet. Some even went to the length of suggesting that Grey and Haldane had deliberately acted behind the back of the Prime Minister, and it was not until Campbell-Bannerman's "Life" was published that this fiction was disposed of. The truth is that Campbell-Bannerman was informed at every stage and that Grey's dispatches describing his interviews with Cambon were submitted not only to him but to Lord Ripon, the senior Minister available in London. Evidently Campbell-Bannerman had intended to summon a Cabinet, for he wrote to Grey on January 2 asking if either of three dates, the 30th, 31st, or February 1st, would suit him. No one in after days remembered why this suggestion fell through, but on February 1 Grey was summoned from London by the tragic accident which caused the death of his wife, and by the time he returned to London the Morocco crisis had passed, and the Cabinet was thinking of other things.¹ In the absence of the Foreign Secretary, the Prime Minister appears to have postponed, and perhaps even to have forgotten, the question of the Military Conversations after it had ceased to be of immediate importance.

The omission loomed large in the minds of some Ministers, but it is not intrinsically of much importance. It has never been suggested that, if it had been consulted, the Cabinet could or would have acted otherwise than Grey did. In his speeches defining the policy of the new Government the Prime Minister had expressed his warm approval of the Entente with France, and if even the possibility of war arising out of that needed to be considered, the "military conversations" with the cautions attached to them were the minimum that the interests of both countries required. In later years, when the subject came formally before the Cabinet, the critics of Grey's policy did not veto the exchange of views between the Admiralties and War Offices, but asked simply that the reservations attaching to them should be repeated and emphasized.

In January, 1906, no reservations could prevent the "military

¹ They had now on their hands a short sharp crisis with the Sultan of Turkey, who had hoisted his flag to the west of the Gulf of Akabah and was putting in claims which would have closed the Gulf and brought the Turkish frontier up to Suez. An ultimatum had to be sent to him, before he withdrew. See Grey, "Twenty-five Years," Vol. I, Ch. VIII.

conversations" from being regarded as a serious new fact in European politics. The French had no motive for concealing them; the report which was soon widely current that French and British were not merely talking but preparing to act together gave a sudden sharp edge to their Entente. It was no longer possible for the Germans to hope that the Liberal and pacifist Government which had just come to power in England would go back on the policy of their Unionist predecessors. Grey evidently had meant what he said when he warned Metternich that British neutrality was improbable if Germany forced a quarrel upon France. The Germans began to moderate their language; Morocco, it was hinted, was not of vital importance to Germany.

Another cause contributed. All through 1904 and 1905 Theodore Roosevelt, the American President, had seemed to be hand in glove with the Kaiser. Having made up their quarrel about Venezuela, they became for a time fast friends. Both believed in the "big stick," both had the same impetuous habit of rushing in upon dangerous ground. The Kaiser had watched with pleasure when Roosevelt spoke in the same language to Britain on the Alaska Boundary question as he had spoken to Germany on the Venezuela question, and was more than ever convinced that a British-American war was inevitable. "The only man I understand and who understands me is the Kaiser," said Roosevelt to the German Ambassador in Washington in September, 1904; and all through the following year the two men seemed to be in intimate co-operation. The Treaty of Portsmouth which ended the Russo-Japanese war in September, 1905, was their joint work, Roosevelt using his influence with the Japanese to moderate their demands, and the Kaiser his influence with the Tsar to persuade him to accept the inevitable. At the same time Roosevelt gave a serviceable backing to the Kaiser's policy in Europe, and told the French pretty firmly that they had better consent to the German demand for a Conference on the Morocco question. But when this consent had been given, he seems to have decided that he had done all that his German friend could reasonably ask, and to have viewed with misgiving the continuance of German threats and pressure upon France. He now declared his opinion that Germany had won a diplomatic triumph with which she ought to be content and, when

the Conference assembled, instructed American representatives to oppose the German plan of carving Morocco into spheres of influence.

With Roosevelt withdrawing his support, France and Britain in close accord, and the other Powers indifferent about Morocco, the situation, when the Conference came, was far different from what the Germans had expected when they demanded it. They were in fact as near to being isolated as they had hoped their principal opponent would be. Of the partners in the Triple Alliance, Austria gave a mechanical support to the German view which won the Kaiser's approval of her as his "brilliant second," but Italy was politely hostile. She had promised the French a benevolent neutrality on Morocco on the understanding that they on their side would regard Tripoli and Cyrenaica as an Italian sphere of interest. Moreover, she had repeatedly warned the Germans that she could not afford any policy which brought her into collision with Great Britain. Russia, having wound up her adventure in the Far East, was looking again to the support of France and hoping for a loan in which both French and British would participate. The main subjects in dispute became tokens and symbols of this grouping of forces behind the scenes. The French obtained their chief object by the establishment of a *gendarmerie* nominally international, but really under French control, and disarmed the opposition of Spain by giving her a share in it. Under British influence France conceded equal rights for foreigners and the establishment of a new State Bank financed in equal parts by all the Powers, as Germany desired, but this was all that she got after a year of threats and pressure.

When the Conference ended, President Roosevelt sent a message to the Kaiser in which he congratulated him on his "masterly policy" and "epoch-making success." In passing it on the German Ambassador at Washington assured his Majesty that though "it did not appear to agree with the facts" it "came entirely from the President's heart." It was coldly received by the Kaiser, who, to do him justice, had no illusions about his own performances. He had gained nothing which he could not have obtained by peaceful negotiations with the French at any time in the previous year, and the whole blustering business had given a reality and meaning to the Franco-British Entente which the British at all events had neither foreseen nor intended. In

a marginal note on a dispatch from Madrid, he flung out against the Latin races. "These miserable, degenerate peoples are only instruments in England's hands for warring on German trade in the Mediterranean. We have no friends left; this emasculated rubbish-heap of the old Roman stock hates us most heartily. As in the days of the Hohenstaufens and the Anjous, the Latin mongrels (*Hundsfüßler*) betray us right and left and jump into the arms of England which will use them against us. War between Germans and Latins along the whole front, but unhappily the Germans are divided."¹

In after days the Kaiser represented himself as having been dragged by Bismarck and Holstein into a policy which was "a deep and deliberate provocation to France," but his own record at this time shows him to have been an active and enthusiastic participant in it up to the moment when its failure threw him into a state of anger and dejection.

4

So far as British Ministers were concerned, the storm came and passed while they were electioneering, and few of them knew what had gone before or what feelings it had left behind. It seemed at the worst a temporary disturbance which need have no ill effects upon their relations with Germany or their determination to give a lead towards peace and disarmament in Europe. In the next few months all possible efforts were made with the warm support of Government and Foreign Office to soothe any injured feelings that might be left behind in Germany. A party of German Burgomasters visited England in May and were everywhere welcomed and entertained. King Edward visited the Kaiser at Cronberg in August and listened patiently while the Kaiser explained that his visit to Tangier had been an innocent excursion which had given genuine pleasure to British and French residents. Haldane, the Secretary for War, went to Berlin, where the Kaiser paid him special attention and permitted him to study the great German military machine. Theologians, men of science, journalists and authors, paid visits and return visits and exchanged compliments. Anglo-German friendship was now the watchword, and for a few months it seemed to make progress. But

¹ G.P., XXIz, p. 268.

behind the scenes the Kaiser and Admiral Tirpitz were drawing the same moral as after previous discomfitures at British hands. Germany must have a fleet comparable with the British. Without a fleet she would again and again suffer the same rebuffs; only when she was strong at sea would the British respect her and cease flirting with her enemies. In April, 1906, a new German Naval Law was introduced which provided for the widening of the Kiel Canal, and a considerable increase in the 1900 programme. Persisting in its pacific intentions, the British Government replied three months later by announcing its intention to cut down battleship construction by 25 per cent., destroyer construction by 60 per cent., and submarine construction by 33 per cent., and began looking hopefully to the next Hague Conference, which was due in 1907, for an all-round reduction in naval armaments by mutual consent.

No one in England doubted that the Government was absolutely sincere, and some thought it dangerously quixotic. But the Germans, as usual, suspected a trap and presented a plausible argument to justify their suspicions. Only a year previously Great Britain had launched the first of her "Dreadnoughts," the new type of battleship which her redoubtable First Sea Lord, Sir John Fisher, claimed to be so powerful that she could blow a whole flotilla of the existing types out of water and stand out of range herself. Having this weapon in hand, how generous of Great Britain to propose to other nations that they should stop the construction of battleships! Fisher's boastings about his offspring, and the rash things he was supposed to have said about its capacity to dispose of enemies and competitors, made a great noise in these months and fired his German rival with ambition to do the same or better.

Further, said Tirpitz, the new Government was actively pursuing the plan, inaugurated by its predecessors, of concentrating a large part of the British fleet in the North Sea with an evident eye on Germany as the probable enemy. And finally by an unlucky coincidence, the new Secretary for War, who had just completed his military studies in Berlin, was known to be at work on a great scheme of military reform with the avowed object of providing Great Britain with a fully equipped army to operate on the Continent of Europe. Thus, with many embellishments and exaggerations, the case was piled up, and

the conclusion drawn that Great Britain was never so dangerous as when she looked innocent and pacific.

British Ministers, being blandly unaware of what was being said behind their backs, persisted in their pacific gestures. At the beginning of March, 1907, Campbell-Bannerman wrote an article for the *Nation* pointing out that British sea-power was universally recognized as non-aggressive, offering to make even further reductions than had been announced if others would do the same, and pleading earnestly that the subject of armaments reduction should not be excluded from the Hague Conference. This, to his astonishment, caused something like a panic in Germany. Urgent messages came from Germans friendly to England begging that it should be explained that the Prime Minister did not intend his article as a threat. The German General Staff, it was said, could not imagine such a proposal being made unless the Government making it was prepared to enforce it, and the story went out that Britain was in league with France and Russia to force the issue with Germany before she became too strong at sea. Had not Sir John Fisher talked out loud about another battle of Copenhagen?

Such was the result after fifteen months of the efforts of a Liberal Government which honestly desired to abate the competition in armaments and restore relations with Germany.

5

In this atmosphere of suspicion and recrimination the prospects for the Hague Conference were rapidly dwindling. Outside the little circle of British Ministers, everyone in Europe was agreed that the subject of disarmament was positively dangerous. Behind the scenes monarchs and diplomatists, British as well as foreign, spoke their minds with the utmost freedom about the cranks and ideologues who were troubling the waters of military Europe. The Kaiser reported that Sir Frank Lascelles, the British Ambassador in Berlin, told him he devoutly hoped the Conference would not take place, and agreed with him that it might be "a most dangerous source of trouble and mischief." The same authority asserted that King Edward had volunteered to him that he "entirely disapproved of the Conference and considered it humbug." "The English delegates," wrote Baron

Stumm from London, "have evidently received instructions to deliver England over to the laughter of the world at The Hague."

When the Conference took place (July-October, 1907) this at some moments came near to being the actual fact. The principal Powers seemed more bent on manœuvring one another into false position, than on promoting peace and disarmament. Sir Eyre Crowe wrote towards the end of the interminable proceedings :

Nothing is to come out of all our labours, everything is to be blown into limbo. It seems a needlessly lengthy funeral of four months' duration. . . . Nothing really important depends on what goes on here. The interesting thing is the political grouping, Germany, Austria and Italy and their satellites (which curiously enough, comprise Greece, Rumania and Belgium) have completely succeeded in wrecking everything in the most open manner. But the most remarkable phenomenon has been the close *rapprochement* between Germany and Russia on the one hand and the United States on the other. The Russians, whenever there was a divergence between France and Germany, have steadily and ostentatiously taken the German side. The French have realized that they have had no influence whatever over their Russian colleagues. The Americans have, except in the case of obligatory arbitration, also gone with Germany and against us in every possible way, most markedly in all naval questions, and often obviously in a sense quite opposite to their own interests. The whole Conference is practically united against us on every question of naval warfare, except as regards our proposal to abolish contraband, which was accepted by a majority, but which that majority subsequently declined to stick to. Many of the smaller Powers, notably Sweden, Norway and Denmark, clearly intimated that even where their interests seemed to demand their going with us, they dared not do anything that might expose them to the ill-will of Germany. As for Italy, she made reparation for Algeciras by supporting the Triple Alliance partners through thick and thin. Portugal and Spain steadily held with us all the time, and Japan supported us whenever she could. The dominating influence in the Conference clearly has been *fear* of Germany. The latter has followed her traditional course ; cajoling and bullying in turn, always actively intriguing.¹

Sir Edward Fry, the first British plenipotentiary, took a rather more cheerful view. The Conference, he said in his report to the Foreign Secretary, had succeeded in setting up an International Prize Court, as a Court of Appeal from belligerent Prize-Courts ; it had done

¹ Gooch and Temperley, Vol. VIII, pp. 287-8.

pioneer work in developing International Arbitration ; ¹ it had framed Conventions with regard to floating mines, balloons, bullets and gases which "afforded illustrations of the duty laid on diplomacy by the moral sense of mankind of checking the application in practice of the discoveries of science, and thus of asserting the supremacy of the moral over the intellectual part of human nature." Its labours on such subjects as the declaration of war, the application of the Geneva Convention to naval war, bombardment of undefended places, the treatment of the crews of captured enemy merchant ships, the immunity of fishing boats and mail-bags, etc., would, he trusted, not "prove without useful results," an aspiration which in the light of experience can only be regarded as wildly optimistic. It was in any case of good omen, Sir Edward added, that the Conference had decided to meet again. The date suggested was 1914.

What Sir Edward Fry did not say may be briefly filled in. The reduction of armaments, which most people had regarded as the main object of the Conference, was relegated to a pious resolution declaring it to be "highly desirable" carried at the fag-end of the proceedings with the Germans abstaining. On the subject which after this aroused most interest—the immunity of private property at sea—the other Powers, and especially Germany and the United States, contrived to manoeuvre Great Britain into a position in which, "supported by Haiti," she seemed to be holding out for the extremest military doctrine against the humane sentiments of Germans, Americans, Russians and Italians. She offered to abolish the search for contraband in neutral ships, but in this too the other nations saw a trap. Mr. Choate, the American delegate, greatly puzzled Grey by saying that it would make Britain "not only the mistress but the tyrant of the seas." Then, as in later years, some of the British delegates were in despair at the obduracy of their experts and complained bitterly to the Prime Minister that they were compelled to take an attitude from which in their hearts they dissented. The British Admiralty was immovable, and Ministers after much wrestling among themselves stood behind it. Marschall von Bieberstein, the principal German

¹ It adopted a "declaration of principle" which the Germans accepted, since, as their principal delegate said, "it would be difficult to say less in more words."

delegate, wrote ecstatically to his superiors, explaining the consummate skill with which he had outmanœuvred the British and turned the situation to German account.¹ He had been congratulated by everybody and especially by the Americans. The records, British and German, are rich in detail. The picture is familiar and is of a style and type that has been exhibited again and again in subsequent Conferences. Diplomats intrigue with each other, and prime a ubiquitous press with their propaganda; pacifists implore them to remember the cause, the gallant Mr. Stead tears his hair, Lady Fry pleads for humanity when her husband has failed. The prevailing opinion is that the cranks and zealots have been routed and British hypocrisy exposed. The Germans flatter themselves that they have once and for all disposed of an audacious attack upon their sovereign right to build what ships they choose. Whether they had acted wisely was a question to which the answer was deferred to later years.

6

This fiasco—for it was scarcely less—was a severe shock to the Government and its Liberal supporters. The latter complained bitterly of the unhappy figure which the domination of the experts and the timidity of Ministers had caused Great Britain to cut before the world. In the hope of partly redeeming their character the Government now pressed forward with the committee of experts which was to deal with the question of contraband where the Conference had left it, and frame the code of laws for the International Prize-Court which it had set up. This met in London in November, 1908, and at the end of February, 1909, produced the much-criticized "Declaration of London." The aim of the Government was frankly to appease the foreign and neutral opinion which had been chilled and alienated by their blunt refusal in the previous year to recognize the "freedom of the seas." In instructing the British delegates, Grey advised them that any "proposal tending in the direction of freeing neutral commerce and shipping from the interference which the

¹ He was specially caustic about the British choice of delegates—the "old Quaker Fry, a complete novice in diplomacy," Sir Ernest Satow, "an old diplomatist who had spent his life in the Far East," Lord Reay, a Dutchman, "whose French was just as good as his English."

suppression by belligerents of the trade in contraband involves should receive your sympathetic consideration and, if not otherwise open to objection, your support." The Foreign Secretary hoped that it would be possible to reconcile "those legitimate belligerent rights of a belligerent State which have been proved in the past to be essential to the successful assertion of British sea-power and the defence of British independence" with "the widest possible freedom for neutrals in the unhindered navigation of the seas." The "Declaration of London" was an earnest and honest attempt to effect this reconciliation. It defined and limited the rights of belligerents in such matters as contraband, blockade, the transfer of enemy ships to neutral flags, convoy, unneutral services. It laid down that neutral ships under convoy, i.e. escorted by a warship or warships of their own Government, should be exempt from search. It divided contraband into absolute and conditional, the former being a small class of goods obviously intended for use in war, the latter a slightly larger class which might serve the enemy's purposes in war; and it absolutely exempted a still larger class including cotton, rubber, nitrates and phosphates. It limited the theory of "continuous voyage"¹ by requiring strict proof that a cargo was intended for the enemy, and accepted call at a neutral port and a neutral destination in the ship's papers as proof presumptive to the contrary. In short, destination was to be presumed innocent unless it was proved guilty.

The reconciliation between British claims and neutral rights at which the British Foreign Secretary was aiming could, in fact, only be reached by large concessions to neutrals. But these placed the Government in a dilemma. It was difficult to reap the credit for them from the foreigner without calling down on their own heads a swarm of critics at home who were watching eagerly lest British interests should be compromised. These were loud in their protests as soon as the Declaration was published. Mr. Gibson Bowles, an able Parliamentary free-lance, who had made the subject his special study, assailed it point by point in speeches and articles and rallied the Unionist party to oppose it in Parliament. The Government, said these critics,

¹ According to this, if the ultimate destination of goods, though shipped first to a neutral port, is enemy territory, they may be treated as though they had been shipped to the enemy direct.

had deliberately disarmed the British navy and proposed to send it to war with its hands tied behind its back. The Government replied that it was in the interests of Great Britain to clear up the existing chaos by definite rules and that she would gain rather than lose if, while she was at war, neutral trade with British ports were enabled, as far as possible, to continue untrammelled. Ministers believed that the Crown had the right to validate the Declaration, but in view of the opposition they thought it wiser to submit it to Parliament and after a long and bitter controversy it was rejected by the House of Lords (145 to 53, December 12, 1911).

No more was heard of it, and whether it would have made any difference if it had been ratified remains an open question. A list of contraband which gave total exemption to cotton, rubber and phosphates would scarcely have survived a month of the Great War. Details apart, experience was to prove that the value of all codes, on land, sea and air, depends on the spirit in which war is conducted. In an atmosphere of ruthlessness, infractions leading to reprisals and reprisals to counter-reprisals, rapidly lay law in ruin among all the belligerents. It is improbable that the Declaration of London would have affected the conduct of the Great War, but its failure marks a stage in the breakdown of the effort to humanize war.

CHAPTER XXIV

THE BEGINNING OF TROUBLE

1906

I

THE Liberal party, which now for the first time for twenty years found itself effectively in power, was in a state of high exhilaration when the new Parliament met for business on February 19, 1906. Its overwhelming majority overflowed the Government benches, thronged the side galleries and even invaded the Opposition side of the House. Ministers regarded the scene with some misgiving. So many ardent spirits panting to be at work on plans and programmes which they regarded as of supreme importance, so many independent minds claiming liberty to criticize and amend, had never in living memory been ranged behind any Government. The business men, bankers and financiers who had given a silent support to Unionist Governments and limited their activities to the division lobbies had been largely swept away, and given place to a throng of ardent newcomers determined to attend every sitting and seize every opportunity of taking part in debate. How to satisfy them, how to avoid the schisms and discontents to which great majorities, and especially Liberal and Radical majorities, were liable were from the beginning anxious questions for the new Ministers.

The temper of the new House was seen in the full-dress fiscal debate with which it was thought proper to mark the return of a Free Trade Government to power. Balfour after his defeat in Manchester had found refuge in the City of London and had exchanged letters with Chamberlain in the course of which he had been induced to say that "the imposition of a small duty on corn was not in principle objectionable." He now took the opportunity of re-defining his attitude for

the benefit of the new House of Commons. The Resolution proposed from the Government benches affirmed the "determination" of the House to "resist any proposal, whether by way of taxation on foreign corn or the creation of a tariff on foreign goods, to create in this country a system of Protection." Affecting to believe that the Resolution covered all taxes not balanced by excise, Balfour wanted to know whether the Government was prepared to abolish the duties on cocoa and tobacco and if not, why not? Were they prepared to pledge themselves against the protection of labour from foreign competition and to say that for six years—the presumed duration of the Parliament—whatever the emergencies, there would be no "broadening of the basis" of taxation? And so on through a series of questions designed to suggest that there was no intelligible meaning which a reflecting mind could attach to the expressions "Free Trade" and "Protection," and no prophecy possible "except to a 'knave and a fool' as to the course which might be taken or might have to be taken in the coming six years."

To the previous House the argument was familiar, and delivered six months earlier it would have given great satisfaction to the large number of Unionists who were on a razor's edge between the two policies. To the new House it seemed like deliberate trifling, and the cry rose from the back benches that it should be left unanswered. But Campbell-Bannerman saw his chance after the many months in which he had been worsted and even "guyed" by his formidable opponent. He spoke for five minutes dismissing Balfour's questions with scorn and wound up with "enough of this foolery, let us get to business." An uproarious scene followed and in this five minutes Campbell-Bannerman established his footing in the new House.

Balfour himself was afterwards to develop a remarkable skill in dealing with this House, but the "scene" is one of the few that are worth recalling after the lapse of years, for it reveals in a flash the atmosphere of this time and the contrast between the leading personalities in the two parties. From this time to his death, belief in C-B., readiness to defer to his opinions and to make allowance for his difficulties, were sentiments common to Liberal, Labour and Irish. Even the irreconcilable Keir Hardie said that if there was any failure it would not be C-B.'s fault.

But Ministers were aware, as many of their supporters were not, that a shadow lay over the scene from the beginning. A Unionist leader had said soon after the election that "whether in power or in Opposition the Unionist party would still control the destinies of this country," and there was an uncomfortable possibility that he would prove to have spoken truly. After the election, as before, the House of Lords stood unchanged and to all appearance unchangeable, with a permanent Unionist majority even larger than the Liberal majority in the House of Commons. With this force behind them, Opposition leaders in the Commons were in a position to speak with an authority and an air of defiance which had never been possible to a Liberal Opposition in like circumstances. All over the country Conservatives were now "thanking God for the House of Lords" and counting confidently on its will and capacity to keep the Radical movement within bounds.

Ministers on their side thought it improbable that the Peers would risk any serious stroke on the morrow of an election which had given an overwhelming majority to the Liberal party. It had always been the claim of the Conservative leaders that the House of Lords deferred to the will of the people when clearly expressed, and there could scarcely have been a clearer expression of it than in January, 1906. Later on, when the tide turned, and by-elections registered the inevitable reaction from the high-water mark of 1906, there would no doubt be trouble, but the electoral impulse would surely carry through the first and perhaps the second sessions. To press forward with important controversial measures and get as many of them as possible on to the Statute-book in the early years of the new Parliament seemed, therefore from the Government's point of view, good strategy. It was also hoped that if a large number of Bills were presented to the House of Lords at the same time it would, even if it were inclined to mischief, think it prudent to spare most of them.

King Edward, who was on excellent terms with the new Prime Minister, had watched the great Liberal triumph with more composure than some of his circle. But he was a little disturbed when he counted up the measures promised or mentioned in the Speech from the

Throne, and found that they were twenty-two in number. Campbell-Bannerman explained that some of them were "uncontroversial," and "departmental," but there was no palliating the fact that the remainder included an Education Bill which clearly was intended to challenge the Unionist settlement of 1902, a Trade Disputes Bill that threatened to reopen the question which above all others the Conservative employing classes wished left alone, a Bill to abolish plural votes, considered in those days to be a special Conservative interest; a Bill to "associate the Irish people with the conduct of Irish affairs"; a Workmen's Compensation Bill, an Allotment Bill, a Bill for the benefit of crofters in Scotland and labourers in Ireland. Behind these were promised "at no distant date" yet other Bills to deal with the English Land question, and to confer self-government on the Transvaal. The richness and variety of this fare gave great satisfaction to the stalwarts of the Liberal party, whose only complaint was that some cherished projects had perforce been omitted. But the Government had miscalculated the effect upon the Unionist Opposition. To accept battle all along the line and to rely on their reserves in the other House in the final encounter was their decision from the beginning.

3

Campbell-Bannerman's Government has been criticized in after years for placing in the forefront of this battle a measure so little calculated to arouse popular enthusiasm and so little touching any vital social issue as the Education Bill of 1906. This is to misunderstand the atmosphere of these times. Nonconformists were still the backbone of the Liberal party and its most powerful auxiliaries in the country. Their quarrel with the Church appeared to them and to a multitude of spectators to raise vital issues, both religious and social. Zealous educationists were convinced that the ecclesiastical hold over the elementary schools was the great barrier to good education, and that to be rid of it was a national necessity. A subsequent generation, which has become indifferent to the doctrinal aspects of the controversy, may find it difficult to realize that the Liberals of 1906 regarded this measure as of first-class importance, but that was in fact their view, and they were heartily behind the Government in giving it the first place in the session of 1906.

The facts as they were at this time need to be borne in mind. The Act of 1902 had abolished school boards and required county and borough councils acting through an Education Committee to maintain out of rates all elementary schools, voluntary as well as public, previously maintained by the school boards. But in the case of the Voluntary schools, the Education Committee or "controlling authority," could only appoint one-third of the managers, and though it was given a veto on the appointment of teachers, it was stipulated that this was not to be exercised "except on educational grounds." The net result was that though the ratepayers were charged with the support of these schools, their control and the choice of teachers remained in the hands of the denominations, predominantly Church of England, which provided and were required to maintain the school buildings. In introducing his Bill in 1902, Balfour had said frankly that one of its main objects was to put the voluntary schools on a solid and permanent basis. To bring all schools into the public system was the leading idea of the new Bill.

The passing of the Act of 1902 had been followed by an agitation which lasted continuously up to the end of the previous Parliament. Ever since the first Education Act it had been a grievance of Nonconformists that in a large number of villages they were obliged for lack of any other, to send their children to Church of England schools, and they said more than ever that it was intolerable that they should be compelled, as ratepayers, to support these schools. Eminent Nonconformists like Dr. Clifford were hot in denunciation, and not a few refused to pay the school-rate and submitted to a distraint of their goods in consequence. At the election of January, 1906, the Nonconformist vote was cast solidly for the Liberal party, and Nonconformists numbered 127 in the new House.

Mr. Augustine Birrell, who was now Minister of Education, introduced the new Bill on April 9. He described it as one of the inevitable compromises which had attended the question from the beginning. It did not restore school boards but accepted the county and borough councils acting through their Education Committees as the controlling authorities, transferred the Voluntary schools to them and gave them the same power of control and management over these as over all others. In all alike undenominational, or "Cowper-Temple" teach-

ing as it was called, was to be the normal religious instruction, unless the local authority decided to have no religious teaching, but in the transferred or former Voluntary schools, their former owners were to have the right of providing special denominational teaching at their own cost on two days in the week. To this, however, a condition was attached. The special denominational teaching was not to be given by any of the regular teachers, a proviso which was defended on the ground that, if these teachers had even a nominal option they would be under a practical compulsion, in that they would be unable to decline without disqualifying themselves for the appointment.

Finally to meet the case of "homogeneous schools," Anglican or Catholic, a school was permitted to remain denominational, even though supported out of public funds, if the authorities were satisfied after public inquiry that four-fifths of the parents desired it to be so.

In reporting this measure to the King, Campbell-Bannerman expressed the belief of the Cabinet that "while remedying the injustice in the previous Act which they have promised to remove," it would "meet the reasonable desires of moderate Churchmen, especially of laymen, and at the same time guard as far as possible the interests of Catholic schools." If the Cabinet really believed anything of the kind, it showed a greater simplicity than is easily imputed to a group of exceptionally able politicians. Birrell, the witty and genial Minister of Education, not unjustly called the Dr. Johnson of these times, found himself at once the centre of a storm such as had seldom raged about the head of any Minister. Before it was even printed, the bishops met at Lambeth and decided at once on uncompromising opposition. Within a week all the dioceses were ringing with cries of "confiscation" and "tyranny," and the whole cause of religion was said to be at stake. The Bishop of London announced a mass meeting in the Albert Hall and called upon his rural deans to be up and doing. Denunciation of the Government rang out from pulpits in town and country. Alone among his brethren, Dr. Percival, the Bishop of Hereford, pleaded for caution and moderation before yielding to the "wild agitation" of the moment.

Nor were the Roman Catholics appeased. They had kept their schools apart, gathered in not a few Protestant children whose parents had no objection to the Catholic symbols and atmosphere of these

schools, and had accepted Government grants on the implied condition that they would be let alone. The idea of public inquiries and the demand of a four-fifths majority of parents did not at all appeal to them. Lord Ripon, the highly respected Roman Catholic peer, was a member of the Cabinet, and therefore responsible for these proposals, but he found that he was mistaken in supposing that his co-religionists would accept them. They were scarcely, if at all, less hostile than the Anglicans and carried with them into opposition the great majority of the Irish members. The Government majority was so large that this was immaterial from a Parliamentary point of view, but Liberals disliked quarrelling with the Irish, and the appearance of a schism in the combined parties within a few weeks of the election caused their enemies to rejoice.

4

The Bill had a stormy passage through the House of Commons. It was smothered in amendments, and but for a drastic guillotine closure would have been killed by obstruction. Attacks came from all quarters; all possible solutions had advocates who demanded a hearing. Some wanted no religion to be taught, others wanted all religions to have equal opportunities; some denounced the "undenominational" teaching as a noxious heresy, others regarded it as the perfect expression of a "common Christianity." Anglicans protested that the State endowment of a specially State-regulated and State-limited form of teaching, from which the essentials of the faith were excluded, was as repugnant to them as any endowment of Church teaching could be to Nonconformists. The quarrel came to a climax in the battle over the position of teachers. The Church party denounced as "cruel tyranny" the proposal to restrain the regular teachers from giving the dogmatic teaching. To teach this core of the faith was said to be their special vocation and the reason why they had taken service in Church rather than other schools. Nonconformists replied that large numbers of these teachers were in fact under compulsion, and that the obligation to teach a particular doctrine operated as a religious test for full half the teaching professions, though the whole of its salaries were paid out of public funds. It was, they argued, a perfectly reasonable stipulation that having "quartered their schools

on the rates" the clergy should either themselves give, or find nominees of their own to give, the special dogmatic teaching. If there was hardship to the teachers, that should have been thought of by their employers before they decided to put their schools on the rates.

Balfour, who was defending his own child, the Act of 1902, showed remarkable skill in playing off the various critics against each other, and the simple issues, as Liberals and Radicals thought them to be, were soon overlaid with innumerable fine points. The debates were in turn angry and solemn, serious and trivial. The saving of souls and the importance of the Sacraments became inextricably mixed up with the allotment of grants and the sanitary condition of elementary schools. Theologians vied with educational experts in the display of their learning. Lord Hugh Cecil danced on the points of many needles and kept the House enthralled with his fervour and his casuistry. Birrell mingled humour with grave argument and did his utmost to save his Bill from the confusion with which it was threatened no less by friendly than by hostile amendments. But Nonconformists watched gloomily while he seemed to be making concessions which extended the scope and watered down the conditions of the Clause IV schools—the "homogeneous denominational schools"—and the Government had no little difficulty in procuring the acceptance of this clause in the highly complicated form in which it finally emerged. The Bill passed its third reading on July 30 by a majority of 192, and was given a second reading in the Lords—with ominous intimations of the wrath to come—before Parliament adjourned for the summer.

By this time some of the steam had gone out of the Nonconformist agitation, and there were many who said that the Government had far better have gone the whole length of secularizing all the schools, and, if denominational teaching was to be, giving equal facilities for it in all the schools, and leaving Roman Catholics and Anglicans, who wanted special schools, to provide them at their own expense. In the month of August the question was further complicated by a judgment in the Court of Appeal which held that the West Riding County Council was justified in refusing to pay teachers in "non-provided" (the former Voluntary) schools for religious instruction and in deducting from their salaries "such portion as was deemed proportionate to the time spent on it." This judgment, which upset

what was plainly the intention of the Act of 1902, caused consternation to Churchmen and presented the Government with a delicate problem. Eager partisans were for accepting the judgment and using it as a lever to bring the Opposition and the House of Lords to terms. If the courts had pronounced that the law was what the Government said it ought to be, why should they go out of their way to disturb this judgment? The Cabinet, however, were unanimously of opinion that to use the administrative confusion which now threatened for their political aims was contrary to public policy, and instantly gave notice of appeal. Four months later the House of Lords, by a unanimous decision, upset the judgment of the Court of Appeal and declared the payments for religious instruction to be obligatory on local authorities. It was thus established that if the proposed changes were to be made, it could only be, as all parties had assumed, by legislation.

5

The Government had expected rough handling for their Bill in the House of Lords, but they were not at all prepared for what was to follow when the Lords took it up in Committee on their reassembling in November. They literally turned the Bill inside out. It was, said Asquith, as if they had taken the Ten Commandments and written the word "not" into each of them. They reinstated for all teachers, head or assistant, the option to give denominational teaching, carried the war into the enemy's camp by empowering the local authorities to supply this teaching in Council ("provided") as well as Voluntary ("non-provided") schools, and permitting the teachers in these also to give it. They disallowed the option which had been given to local authorities in regard to religious teaching, and decreed that no school should get public money unless some portion of the school hours were set aside for that purpose. Taking Clause IV they cut out its limiting conditions and placed local authorities under a compulsion to provide them in rural as well as urban areas, where two-thirds of the parents demanded them. They also abolished the Education Council for Wales which the Government had proposed to establish. Having thus transformed it, they gave the Bill a third reading on December 6.

The Bill, as it was returned to the Commons, was in substance an

extension of the Act of 1902, with all its vices, as Liberals and Non-conformists regarded them, aggravated. Instead of an undenominational, it was now a strongly denominational Bill. Faced with what they considered to be an unprecedented handling of a Government Bill by the House of Lords, the Government took the unprecedented course of moving the Commons to reject the Lords' Amendments *en bloc*. To take them in detail and extricate their own Bill from the mass of extraneous matter imposed upon it would, in their view, have been to start the controversy all over again to the fatal disarrangement of their time-table for the coming session. If any negotiations were to follow it could only be on the basis of a total rejection of the changeling now offered them. The House acted accordingly, and on December 13 returned the Bill to the Lords with all amendments rejected. Four days later (Dec. 17) the Lords adopted Lord Lansdowne's motion insisting on their amendments.

Various last-hour efforts were made to effect a settlement. King Edward tried his hand; a group of peers from both parties met in conference; the Archbishop of Canterbury showed a conciliatory disposition. But the question of the teacher's right to give denominational instruction, and Balfour's stubborn resolve to keep the Act of 1902 intact, proved in the end fatal obstacles, and the concessions which the Government offered angered their supporters without conciliating the peers. When the end came and the Lords again insisted on their amendments, not a few of the Nonconformist stalwarts said openly that the Bill had been so mauled and defaced in the attempt to appease its opponents that its death and burial was no loss. Their anger with the peers was nevertheless at white heat.

In so far as it substituted committees of county councils for school boards the Balfour Act of 1902 has stood the test of time, but the failure to settle the religious problem, had two bad results. It perpetuated the existence of a considerable number of inefficient schools, and the fear of reviving the controversy deterred subsequent Governments from going forward with educational legislation. Not till thirty years later did a Government propose to raise the school age to 15, and then its proposal was hedged round with qualifications, and subject to delays said to be necessary to enable the less efficient schools to prepare themselves for this change.

CHAPTER XXV

CAMPBELL-BANNERMAN AND SOUTH AFRICA

1906

I

THE Unionist leaders and the House of Lords reckoned confidently and rightly that the Government would not carry the Education question to the country. By the time the interminable debates were over the public was weary of the subject, and not a little disgusted at the intransigence of both Churchmen and Nonconformists on points which were beyond comprehension by ordinary people. The mere terminology of the subject—"provided" and "non-provided" schools, "special facilities," "ordinary facilities," "Cowper-Temple teaching," "right of entry," and so forth—gave it a forbidding aspect and wrapped it in obscurity for nine-tenths of the electorate. It was one thing for the Government to do their utmost to redeem their pledge to their Nonconformist supporters, quite another to stake the whole Liberal movement on Nonconformist claims and bring the powerful Parliament elected in January to an abrupt end in November. One or two Ministers were in favour of going to this length, but the great majority refused to think of it. Their strategy from now onwards was that of letting the account between "Peers and People" mount up until the whole of it could be submitted to the electors at a moment chosen by themselves. Liberals called it "filling up the cup," their opponents called it "ploughing the sands."

At the moment it was by no means certain which was right. Unionists were confident that the Government would suffer greater discredit from the failure of their Bill and the waste of their efforts than could be retrieved by any campaign against the House of Lords. Ministers could be held up to moderate people as deliberately wasting

their strength in a factious attack on the constitution while good work to which all sensible people would consent was waiting to be done. In the former days Chamberlain had made a capital point of representing the Unionist party as the party "which put things through," in contrast with the Liberal party which was doomed to a hopeless and sterile effort to set up a Parliament in Ireland. In 1906 it seemed highly probable that this party would suffer the same discredit, if it were seen to be beating in vain against the impenetrable barrier of the House of Lords. In a war of attrition between the two Houses, the Lords, being permanent and immovable, seemed to have all the advantages over their transient and short-lived opponents.

2

Thinking thus, the Unionist leaders had no motive for sparing Liberal legislation in the early days of a Liberal Parliament, and they now proceeded with a vigorous offensive all along the line. Before the session of 1906 was over, the peers had laid heavy hands on the Agricultural Holdings Bill and Irish Town Tenants Bill, and rejected the Plural Voting Bill, which sought to abolish the multiple qualifications that enabled business men and property owners to record votes wherever they had offices or held property. This was a valuable and much-cherished perquisite of the Conservative party, and the Lords needed no argument to maintain it. But in their warfare with their opponents the Conservative party had one rule which it seldom or never broke in spite of many remonstrances from its own supporters. This was not to incur the hostility of organized Labour if it could possibly be avoided. In their platform speeches in industrial centres, Conservative politicians had been in the habit of drawing on history to prove that the Conservative party rather than the Liberal should be regarded as the friend of Labour. Disraeli's sympathy with the workers, at a time when Liberal employers were opposing Factory Acts and keeping wages low, was recalled, and great stress laid on the fact that the Trade Unions owed a large part of their liberties to the Conservative Act of 1875 which legalized picketing and abolished imprisonment for "molestation" and "intimidation."

Respect for Trade Unions as a power in the electorate combined with a great desire to leave this argument undisturbed secured im-

munity for the Trade Disputes Act, which was in some ways the most difficult and controversial of all the legislation proposed to Parliament in the session of 1906. The preparation of it produced the first strain in the new Cabinet. It was agreed that something must be done to repair the havoc made of the presumed state of the law by the recent judgments in the law-courts. As matters stood after the *Taff Vale* and *Quinn v. Leatham* decisions, no Trade Union could sanction or undertake a strike without exposing itself to ruin. But what to do was an extremely difficult question. It was one thing to let the Trade Unions enjoy the practical immunity from being sued which had served for thirty years before these judgments, quite another to define it in acceptable legal terms. Campbell-Bannerman, as usual, was for going straight to the point and saying without demur that the Unions were non-suable. But the lawyers of the Cabinet, backed by the Royal Commission which had recently reported on the subject, greatly objected to putting words into a statute which gave one class, Labour, a privilege not enjoyed by other classes, and were of opinion that the object aimed at should be attained, as the Royal Commission recommended, by restricting the law of agency, so far as it applied to Trade Unions.

Since after thirty years the question is still an open one, the next stages need to be set down in detail. After a sharp tussle in the Cabinet, the lawyers seemed to have won and the Trade Disputes Bill was introduced and read a first time (March 28) in the following form : ¹

Where a Committee of a Trade Union constituted as hereinafter mentioned has been appointed to conduct, on behalf of the Union, a trade dispute, an action whereby it is sought to charge the funds of the Union with damages in respect of any tortious act committed in contemplation or furtherance of the trade dispute should not lie, unless the act was committed by the Committee or by some person acting under their authority.

Provided that a person shall not be deemed to have acted under the authority of the Committee if the act was an act or one of a class of acts expressly prohibited by a resolution of the Committee, or the Committee by resolution expressly repudiate the act as soon as it is brought to their knowledge.

Labour members were in dismay, when they read this clause. Who, they asked, could make head or tail of such rigmarole ? With its

¹ "Life of Lord Oxford and Asquith," Vol. I, p. 182.

"ifs" and "wheres" and "unlesses" and "provideds," it seemed specially designed for clever lawyers to make play with, and judges to ride their coaches through it. Not this Bill but their own Bill was now their cry, and two days later (March 30) Mr. W. Hudson introduced their own Bill, which went straight to the point.

The Government were now in a serious difficulty, for it was obvious, as the debate proceeded, that not only the Labour members but a large majority of Liberals and Radicals greatly preferred the Labour Bill to the Government Bill. So also did the Prime Minister, who suddenly intervened in the debate and greatly to the surprise and not a little to the annoyance of his legal colleagues, including Asquith, supported the Labour Bill and intimated that the way was open to adjust the differences between that Bill and the Government Bill.

The struggle was now renewed in the Cabinet; and for the next three months it was seriously in doubt whether the lawyers would agree to the promised adjustment. In moving the second reading on April 25 Sir William Robson, the Solicitor-General, had to admit that the question was still open, while promising that it would be settled in Committee after the Government had listened to all views. It was settled finally in Committee on August 3, when the clause passed in this form: ¹

An action against a Trade Union, whether of workmen or masters, or against any members or officials thereof, on behalf of themselves and all other members of the Trade Union in respect of any tortious act alleged to have been committed by or on behalf of the Trade Union, shall not be entertained by any Court.

Thus substantially the lay view prevailed over the lawyers' view, and the legal conscience was just saved by enlarging the definition of a Trade Union to include unions of masters as well as of men. This form of words made it possible to say that workmen were not given a privilege denied to other classes. Asquith was only a very reluctant convert, but he told the House that "upon the whole he had come to the conclusion—gradually he admitted—that there was less risk of actual legislation on disputed questions going to the Courts of Law, passing from one stage of appeal to another, and involving loss of

¹ "Life of Lord Oxford and Asquith," Vol. I, p. 183.

money, temper and time, by adopting the perfectly simple and common-sense method embodied in the clause than if they were to lay down in regard to industrial combination a new code of the law of agency." Heads were shaken and grave doubts expressed when the Bill reached the Lords, but it was passed without alteration.

3

It was the cue of the Liberal party to represent the whole work of the session as having been wrecked by the House of Lords; and the Education Bill had loomed so big and taken so large a part of the available time that there was some plausibility in the assertion. But both in amount and importance the measures saved would have done credit to a full session of any ordinary Parliament. Labour had little cause to complain. In addition to the Trade Disputes Act, it obtained a workmen's compensation Act incorporating Chamberlain's Act of 1897 and extending it to six million new workers, including fishermen, seamen and shipmasters, clerks, shop-assistants, postmen and domestic servants. Domestic servants were Campbell-Bannerman's own special contribution. They were not included in the Bill as drafted, but, listening one afternoon to a debate on an amendment for their inclusion he astonished his colleagues by announcing, without consulting any of them, that the Government accepted the amendment. It was in a minor degree a repetition of his stroke on the Trade Disputes Bill and highly characteristic of his method.

Most important of all, the Government carried through in this session its measure for conferring self-government on the Transvaal. That was largely Campbell-Bannerman's own work, and on it rests his chief title to fame as a constructive statesman. He considered it in fact a question in which he personally had a special responsibility. For in spite of his sympathy with the Boers, he had been one of the first to express the opinion that the annexation of their States would be an inevitable consequence of the war, but to this he had attached the condition that annexation should be followed as quickly as possible by free self-governing institutions. In his own thoughts he interpreted "as quickly as possible" as being when a Liberal Government first had the opportunity.

The war had been followed in both the Boer States by a period of

"reconstruction" in which Lord Milner aided by a group of clever young men brought out from home—affectionately dubbed his "kindergarten"—had done excellent work in correct if distant relations with General Botha and the Boer leaders, who, while declining to join Milner's "Legislative Council" had been hard at work on the resettlement of the Boers. This tided over the time, but after two years both British and Dutch began to complain that the administration was expensive and bureaucratic, and with Chinese labour now added to other difficulties, it became evident that trouble threatened if it was prolonged. In the spring of 1905 Milner laid down the High Commissionership, and Lord Selborne was appointed to succeed him. On March 31 Lyttelton, the Colonial Secretary, launched a scheme by "Letters Patent and Order in Council" for a new Constitution providing what was called "Representative Government." Under this there was to be a Transvaal Assembly consisting of the Lieutenant-Governor and not fewer than six or more than nine official members, and not fewer than thirty or more than thirty-five members elected by voters with a property qualification of a minimum of £10 annual value. The Assembly was to "make laws required for the peace under a good Government of the Colony," but the Governor had the right of reserving these laws for "the signification of the Royal assent," i.e. for review by the Imperial Government; and all executive responsibility was to remain, as before, in the hands of the Governor and his Council. In finance the Assembly was to have no power, except on the recommendation of the Governor, and no part of the revenue of the Colony was to be issued except upon his authority. The official language of the Assembly was to be English, though Dutch might be spoken by the permission of the President.

This, Lyttelton claimed, was as much as "prudent and sensible men" in both African or other parts of the Empire could be expected to approve, and it was a strict fulfilment of the Treaty of Vereeniging, which had promised "representative institutions leading up to self-government." Anything more, anything corresponding to what was commonly called "responsible government" was bound to be party government, and party government in the existing circumstances was bound to be "racial government," or in plainer language, Boer

Government, to the destruction of what Great Britain had won in the war.

This was by no means a unanimous opinion even among the British in South Africa. Sir Richard Solomon, the Attorney-General of the Transvaal, argued powerfully against it on the ground that it would prove unworkable in practice, and probably bring the Assembly into dangerous collision with the Executive. From the beginning the scheme met with unanimous opposition from the Boers and received only lukewarm support from the British, who raised their familiar objections to "Downing Street government." In the course of the year associations of British and Dutch were formed to fight it from different points of view, the Dutch denouncing it as a betrayal of the Treaty of Vereeniging, the British taking their stand on the democratic principle, but demanding "one vote one value" which would have given the Rand half, if not more than half, the representation of the Colony. In December, when the Liberal Government came in, other associations were formed among the British to protest against the "betrayal" which they now foresaw or professed to foresee.

At the end of December, 1905, the Lyttelton constitution still awaited the preliminary work of delimiting the constituencies and registering the voters. Campbell-Bannerman was for sweeping it all away and proceeding at once to full self-government. Certain of his colleagues¹ thought this highly imprudent, and favoured the alternative course of letting it go forward and converting it by gradual amendment into responsible government. To Campbell-Bannerman this was a feeble compromise which sacrificed all the advantages of a generous policy. "He said flatly," as his biographer records, "that the one plan was right and the other wrong, and refused to be involved in any legal or constitutional argument which favoured the more cautious procedure. For Liberal Ministers to stand by and let this constitution which in opposition they had denounced as a sham be solemnly set up on the chance that it would be developed afterwards into something different would, he protested, be to stultify themselves, to throw doubts on their own good faith, and to miss the golden opportunity which came

¹ But not, as was subsequently stated, the Liberal Imperialist Group (Asquith, Haldane, Grey), Asquith played a large part in drafting the constitution as finally accepted by the Cabinet.

to the new Government of reconciling South Africa to the Empire." The decision was taken on February 8, when the Prime Minister made what one of his colleagues described as "one of the most impressive appeals that had ever been heard in a Cabinet."¹ In the end Ministers were unanimous and it was decided to start at once on full responsible self-government.

4

The first step was to send out a Committee to South Africa to devise a representative scheme on the basis of manhood suffrage. The Committee, of which Sir Joseph West Ridgeway was chairman,² started on April 7 and was back in London by the middle of July with its work complete—thus proving itself one of the most expeditious Committees on record. No small credit for what followed belongs to this body for the tact and good sense with which they handled the situation that they found in the Transvaal. The Boers were at first suspicious and hostile, thinking that they had come to implement the Lyttelton constitution, and the British hardly less so for the opposite reason that they supposed them to be emissaries of the new Radical Government. When General Botha discovered the true state of the case, he ceased communicating through an interpreter, dropped into English and did his utmost to find a solution which would be helpful to the British. The latter on their side showed the same excellent spirit, and within a short time both were taking for granted that responsible government was coming and discussing only the allotment of seats and delimitation of constituencies.

: Mr. Lloyd George wrote to Campbell-Bannerman on the following day: "I hope you will not regard it as presumptuous of me if I congratulate you on the way you saved the Government from inevitable disaster yesterday. It was a magnificent piece of work." Another colleague, Lord Carrington, the Minister for Agriculture, wrote: "You must allow me to congratulate you for having so magnificently saved the South African situation to-day. The party would have been in arms if we had capitulated to Lyttelton and the mine-owners, and you pulled us through entirely and alone."

² The other members were Sir Francis Hopwood (afterwards Lord Southborough), Lord Sandhurst, and Colonel Sir D. Alexander Johnston, a former Director-General of Ordnance Survey.

One hitch there was. Lord Selborne, the High Commissioner appointed by the previous Government, watched with great misgiving the concessions which the British seemed to be making, and when they asked his advice, recommended them to "fix their principles and adhere to them and take the consequences." This he did openly and telegraphed to Lord Elgin that he had done it. The Cabinet was greatly annoyed, and some of its members were for recalling Lord Selborne at once. The Colonial Secretary was unwilling to take this extreme step, but Selborne was informed that he had exceeded his duty as High Commissioner, and directed in future to use his influence to bring about an amicable settlement. He did so to such purpose that by the end of May he and Sir Joseph West Ridgeway were able to send a joint cable to the Cabinet reporting that a satisfactory settlement was in sight. The settlement was reached in the next fortnight, and with manhood suffrage and a six-months' residential qualification for its basis gave 34 seats to the Rand, 6 to the Pretoria district, and 29 to the rest of the Colony. A Second Chamber of fifteen members nominated by the Crown was to be set up for the first Parliament, but arrangements made for making it elective afterwards. Natives were excluded in accordance with the Treaty of Vereeniging, which bound the Imperial Government not to enfranchise them in advance of self-government. But any legislation imposing disabilities on them was to be reserved for approval by the Colonial Secretary, and it was specifically stated on behalf of the British Government that no legislation imposing "any condition of service or residence of a servile character" would receive the Royal assent. This covered the case of Chinese labour in the future and it was agreed that provision should be made for winding up the existing Chinese ordinance and re-embarking the coolies as speedily as possible.

It fell to Mr. Winston Churchill, the youthful Under-Secretary for the Colonies, who had shown great energy and zeal in defending the Liberal policy, to explain these provisions to the House of Commons, and on the same day (July 30, 1906) Elgin, the Colonial Secretary, expounded them to the House of Lords. Since the procedure was by "Letters Patent and Order in Council," they were safe from rejection by the peers, but seldom in either House had there been fiercer protests against any measure than were directed against

this one. The Government were denounced in unmeasured terms for having betrayed British interests in South Africa—for having as the current phrase went, “sacrificed in the ballot box what had been won in the war.” Balfour declared that Ministers had committed themselves and the country to a “dangerous, audacious and reckless experiment”; his colleagues and supporters vied with one another in painting its consequences in the gloomiest colours. So prolonged were these denunciations in the Commons debate that Campbell-Bannerman was left only one minute for his reply before the debate automatically closed. He used it to say that he had “never in the whole of his Parliamentary career listened to a more unworthy, provocative and mischievous speech” than that of the leader of the Opposition. At this point his voice was drowned in clamour which continued until the debate expired. In the House of Lords, Lansdowne and Milner were equally vehement, the latter going to the length of saying that the British people would “spit” the new policy “out of their mouths” if they knew what it really meant.

5

The attack continued intermittently until December when the Letters Patent granting the new constitution were issued. But by this time it was clear that the critics had run ahead of public opinion. The Opposition press was by no means unanimous in hostility, and the idea of a generous reconciliation after the war appealed to an immense number apart from their party prepossessions. On the whole the judgment was that the Government had acted wisely and courageously and put themselves in line with one of the longest, wisest, and most cherished of British traditions. On December 17, when the finished work was presented to both Houses, the necessary resolutions were passed without a division. The occasion was the one pleasant interlude in the raging quarrel over the Education Bill.

In his covering dispatch accompanying the Letters Patent, the Colonial Secretary said, “I desire to add on behalf of His Majesty’s Government that they have advised His Majesty to grant immediate Responsible Government to the Transvaal, in full confidence that under the free institutions established by the Constitution, the prosperity and contentment of the Transvaal and its people will be permanently

secured, and with the hope that the step now taken will in due time lead to the union of the interests of the whole of His Majesty's Dominions in South Africa." The Union of South Africa was thus from the beginning laid down as the ultimate object of the policy, and it was to be achieved after what at the time would have been considered the incredibly short interval of three years. Six months later the Orange Free State received a constitution similar to that of the Transvaal, and this was accepted without opposition as the logical consequence of the first step. Europeans who had taken a malicious pleasure in the discomfiture of the British army in South Africa looked on in bewilderment and said more than ever that British methods were past understanding. Some British said the same when, contrary to expectation, the first elections in the Transvaal gave a Boer majority, and installed General Botha in power as first Prime Minister. It was actually the fact that he was placed in this position by British voters who liked and trusted him, and voted for Dutch candidates in constituencies which had confidently been marked as British. Botha repaid this trust, and he had not been long in power before it was generally recognized to be the greatest of the many blessings in disguise which attended South African policy in these years that the transition to free institutions was in the hands of a great Dutch leader who, having given his word, could be relied upon not to go back on it.

CHAPTER XXVI

THE BRITISH-RUSSIAN ENTENTE

1906-7

I

A UNIONIST GOVERNMENT having taken the first step into the continental arena through its Entente with France, a Liberal Government was now to make a further advance by an agreement with Russia.

Nothing had seemed less probable in the previous years. During the greater part of the nineteenth century Russia, alternately with France, had been regarded as the secular rival and predestined enemy of Great Britain. She had an Asiatic policy which seemed to threaten the British position in India, and a European policy which Great Britain had resisted once at the cost of war and often with the threat of war. In the closing years of the nineteenth century these standing quarrels had been aggravated by a new rivalry in the Far East in which Britain had sought safety in an alliance with Japan. That had paved the way to the war in which Japan, under the sheltering arm of Britain, had inflicted a disastrous and unexpected defeat on Russia. Finally, in July, 1905, on the morrow of this defeat and within a month of the signing of the Treaty of Portsmouth, Great Britain had announced the conclusion of a new Treaty extending the Japanese Alliance to the whole of Eastern Asia and India and pledging each nation to come to the assistance of the other "if by reason of provoked attack or aggressive action, wherever arising, on the part of any other Power or Powers, either should be involved in war in defence of its territorial rights or special interests."¹

These moves were in complete accord with the spirit of the times,

¹ For details of this Treaty, see Gooch and Temperley, Vol. IV, pp. 64-9.

and Lansdowne, the British Foreign Secretary, won high praise from all the European experts for the skill and objectivity with which he had pursued his aims. Russia had been warned, at the moment when she was most sensitive, that if she thought to retrieve her disasters in the Far East at the expense of Great Britain in other parts of Asia she would find the road barred by Britain and Japan acting together. Beyond doubt a powerful stroke, but Lansdowne could scarcely have been surprised when the Russian Foreign Secretary told the British Ambassador that it had "made a most unfavourable impression in Government circles" in Russia, or when Count Witte was reported to be beside himself with anger.

In 1905 the Count, who was still the most powerful individual in Russia with the exception of the Tsar, was in a dangerous mood. On his way back from signing the Treaty of Portsmouth (August, 1905), he had been entertained by the Kaiser who all but converted him to the Russo-German combination proposed in the moribund Treaty of Bjorköe. The news of the new Anglo-Japanese Treaty came as a strong reinforcement of the Kaiser's argument, but by this time the wavering Tsar was more than half-way back to the French Alliance, and Witte, who was a realist, decided on reflection to fall in. His general conclusion seems to have been that there was no immediate way of countering the Anglo-Japanese combination, and that to cross over to the German camp would be to make permanent enemies of France and Britain and to subordinate Russian policy to German and Austrian in the Near East, which offered Russia the likeliest opportunity of obtaining compensation for her losses in the Far East. In these weeks Russia made definitely the choice between pursuing her adventure in farther Asia and resuming her traditional European policy, and by the end of the year she had so far decided on the second alternative as to pledge her support to France at the coming Algeciras Conference.

In the meantime the French had been actively at work both in St. Petersburg and in London to heal the British-Russian quarrel. They had watched with considerable uneasiness the conclusion and publication of the new British-Japanese Treaty, and put it politely to Lansdowne that he had gone too far and too fast. M. Bompard, the French Ambassador in St. Petersburg, and M. Cambon, the

Ambassador in London, worked on parallel lines, the former trying to soothe the ruffled feelings of the Russians, and the latter to persuade Lansdowne to make a friendly advance. The argument which was going on behind the scenes is fully disclosed in the dispatches of October, 1905. On October 14 M. Bompard repeated for the information of Lord Lansdowne a conversation¹ he had had with Count Lamsdorff, the Russian Foreign Secretary :

He (Count Lamsdorff) spoke at first in somewhat strong terms of the Anglo-Japanese agreement which, he said, had in spite of the pacificatory explanation which accompanied it, shocked Russia by the directness of its intention. Previous to the outbreak of war England had been in negotiation with Russia on many pending questions in Asia and these discussions had been necessarily interrupted on the commencement of hostilities. Before even the war had been concluded England, regardless of her previous negotiations, had changed the whole situation and had endeavoured to impose her will and that of Japan upon the remaining Powers in Asia. This proceeding had caused deep dissatisfaction not only in Russia but also in Germany and the United States.² England had repeated in Asia the same policy which she had followed in Africa and had caused such a shock to the whole world that it became necessary to put an end to such proceedings once and for all. The way to do so would be to form a coalition of Powers, which need not have an aggressive character, as a counterpoise to the Anglo-Japanese Alliance, in the same manner that the political equilibrium of Europe was maintained by the Dual and Triple Alliances, and a combination of Russia, France, Germany and the United States would serve that purpose.

Dark hints of an impending coalition with the United States against Great Britain were at this time among the counters of both Russian and German diplomacy, and they received some colour from the known intimacy of Roosevelt with the German Kaiser, and the part which the former had played in bringing about peace between Russia and Japan. As a matter of fact Roosevelt had declared himself well satisfied with the Anglo-Japanese Treaty and in a few weeks' time he was to disappoint the Kaiser by transferring his support to France on the Morocco question.

¹ Gooch and Temperley, Vol. IV, p. 211.

² Marginal comment by Lord Lansdowne : "This is quite unsupported by the evidence."

2

The conflict between these different views was over by the middle of October, 1905. By this time M. Bompard had told the Russians that there was no possibility of France's joining an anti-British combination of Russia and Germany; Count Witte had come to the conclusion that the French Alliance was too valuable to be sacrificed, and Count Lamsdorff, who was never a pro-German, was well pleased when the proposed combination was flatly rejected by the French. Lansdowne now melted a little. On October 24 Sir Charles Hardinge, the British Ambassador in St. Petersburg, had an audience of the Tsar, and in that for the first time the possibility of an Anglo-Russian settlement was broached. The Tsar expressed his "most earnest desire that the best and most durable relations should be established between England and Russia, and that all important points should be discussed in an amicable spirit and settled as soon as possible." The Ambassador took occasion to say that King Edward, "watched with interest the internal reforms which the Tsar had introduced and was about to grant, and that a Liberal policy would be the greatest advantage both to the Emperor himself and the Russian people." The Ambassador added that "His Majesty's Government considered, and their opinion was shared by Count Lamsdorff, that in endeavouring to arrive at a settlement of all questions in dispute, it would be better not to embark on an ambitious programme but to deal with each question separately until all existing difficulties had been finally removed. The points of difference between the two countries were after all few in number and not of a nature to render agreement impossible."

Tsar and Ambassador then exchanged the warmest assurances that the policy of neither Power was aggressive, and the Ambassador said it was greatly to be hoped that an agreement between England and Russia would not be regarded as directed against any other Power, "as had unfortunately been the case with regard to the Anglo-French agreement and Morocco"—a sentiment which the Tsar reciprocated. Finally the Ambassador said it was a mere coincidence that the Anglo-Japanese agreement had been signed a few days before the conclusion of peace in the Russo-Japanese war, but a "fortunate coincidence,

since it enabled the Japanese to make peace on terms that were acceptable to Russia, while without the safety assured to them by the Agreement they would probably have preferred to continue the war."¹ What the Tsar said to this ingenious argument is not recorded.

A week later the Tsar was fighting for his throne against a revolutionary outbreak, and foreign policy passed into the background. On December 5 the British Government resigned and Lansdowne quitted office. But the foundation had been laid and Sir Edward Grey, the new Foreign Secretary, proceeded at once to build on it. On December 13 he told Count Benckendorff, the Russian Ambassador in London, he had hoped an agreement might be reached between Great Britain and Russia on questions outstanding which divided them, and that though he would refrain from pressing the question at the moment, "it would be the policy of the Government not to do anything which would make the resumption of negotiations or a settlement more difficult later on." Count Benckendorff expressed great satisfaction at this, and asked leave to pass it on to his Government.

3

Good relations with Russia were part of the Gladstonian tradition of the Liberal party, and powerful Radical journalists like W. T. Stead had continued to advocate them in the most adverse circumstances, not the least of which had been the steady refusal of the Tsardom to conform to British Liberal ideas. The winter of 1905-6 was from that point of view peculiarly unfavourable. The attempted revolution was being repressed with a heavy hand, and the shootings, hangings and heavy sentences to exile and imprisonment which accompanied the process were horrifying to British Liberals. But this to Count Witte seemed the moment when British sympathy would be most valuable. During the war, he said, "what Russia had needed was a strong military friend on her border. This need Germany had supplied. But now what Russia needed was not so much the support of a military Power as that of a great Liberal and commercial Power.

¹ Gooch and Temperley, Vol. IV, pp. 215-16.

England's sympathy, if afforded in some open and evident form, would be of the greatest service to the party of order. Germany would give a finger's length of help and England an arm's length."¹

The naïve suggestion that Liberal England should throw her shield over the "party of order" in Russia was little likely to find acceptance with the great Liberal and Radical majority in the new Parliament. Grey, moreover, was aware that if the "party of order" might be conciliated in this way, there was another very strong party in Russia which would be chilled and alienated if a British Government seemed to take sides against them. British Ministers thought it wiser to refrain from open demonstrations which might be construed as sympathy with either party in Russia, and the Tsar had to stifle his disappointment when King Edward evaded an invitation to visit Russia, and Count Witte his when the project of an English loan was put on the shelf.

The atmosphere could scarcely have been less favourable for fraternizing than during the next few months. When it was announced that the British fleet was to pay a visit to Cronstadt in the course of its summer exercises in the following July, loud protests broke out from Liberals and Radicals who saw a vision of British sailors making merry with "Tsarist assassins." The Government issued an instruction to the fleet that "care should be taken to show civility to the Chief Officers of the Duma," but this did not appease the objectors who continued their protests in both Houses of Parliament until the Tsar took the hint and intimated that he would prefer the visit postponed. When July came there was further trouble. Up to this point the Government had relied on the fact that the Tsar had instituted a Parliament, or Duma, in Russia to disarm their critics. But on July 23, just when the British Prime Minister was about to address the Inter-Parliamentary Union, a body composed of representatives of all the European Parliaments including the Russian, which was meeting that year in the Royal Gallery of the Palace of Westminster, the news suddenly came that the Tsar had suspended the Duma. Campbell-Bannerman met the occasion with a speech which expressed a warm sympathy with the victims of this stroke in

¹ Witte to E. J. Dillon reported by Mr. Cecil Spring Rice in a letter to Sir Edward Grey. Gooch and Temperley, Vol. IV, p. 219.

language which, he flattered himself, could not give offence to their master :

I cannot refrain from saying for myself, and, I am sure, for everyone in this great and historic assembly, how glad we are to welcome among us to-day the representatives of the youngest of Parliaments—the Russian Duma. We deeply regret the circumstances of their appearance in our midst. It is, I venture to think, of good augury for your movement and for the future of Europe that the first official act of the Russian Parliament in regard to affairs outside the Russian Empire has been to authorize its delegates to come here to Westminster and to join hands with us in the assertion of those great principles of peace and goodwill which were so incalculably advanced by the head of the Russian State, the author and convener of the first Hague Conference. I make no comment on the news which has reached us this morning ; this is neither the place nor the moment for that. We have not a sufficient acquaintance with the facts to be in a position to justify or criticize. But this at least we can say, we who base our confidence and our hopes on the Parliamentary system—new institutions have often a disturbed, if not a stormy, youth. The Duma will revive in one form or another. We can say with all sincerity, “The Duma is dead ; long live the Duma.”¹

This was rightly counted a masterpiece of adroit expression, but the incident was not calculated to improve tempers on either side. The Russian Ambassador was greatly disturbed by the implied rebuke to his Imperial master, and though Campbell-Bannerman took much pains to explain to him that he had said no more than the Tsar himself had said in his Proclamation suspending the Duma, the Ambassador scented something that the Tsar would not have said in the Prime Minister’s way of putting it.

There was further trouble when Isvolsky, who was now Russian Foreign Secretary, fell into the habit of paying visits to Berlin where he was reported to be “closeted with Prince Bülow.” He explained, reasonably enough, that he was taking precautions lest Russia should expose herself to the same retaliation that had fallen on France, if she made up to England without keeping Germany informed. But a swing-back to Germany was always a possibility at this time, and so one knew how soon “Nicky” might not again fall under the spell of “Willy.” There were also Russians friendly to England, like

¹ “Life of Campbell-Bannerman,” Vol. II, p. 263.

Benckendorff the Ambassador in London, who said quite frankly that no agreement with England could compensate Russia for a quarrel with Germany. Then on the British side was the Government of India, very suspicious of Russia, very stiff about British rights in Afghanistan, Tibet and Persia, with a powerful spokesman in Curzon, who, besides being the most distinguished of ex-Viceroy, was the leading authority on the dangerous activities of Russia in Central Asia.

4

Nevertheless, both Governments decided to persist, and British Ministers heartily agreed with Grey that the major object of relieving India from the threat of a Russian invasion was worth a great many minor concessions. Of the three main questions, Tibet and Afghanistan proved comparatively simple, but when it came to Persia the road was uphill all the way, and it was only with the greatest difficulty that the *status quo* could be maintained while the negotiations went forward. Persia, being bankrupt, was agitating for a loan and threatening to go to Germany for it if she could not get it from Russia or England. Russian agents were always jumping ahead of their Government and obtaining concessions prejudicial to Great Britain, in spite of its promise to suspend these activities. One of these concessions brought the telegraph lines in Scistan under Russian control, much to the annoyance of the Government of India, which saw in this incident striking proof of its frequently repeated contention that Russian promises were not to be trusted. "The fact is," commented Grey, "that the military and some of the official party in Russia are opposed to the suggested agreement about Persia; on our side the Indian Government is equally opposed to it. But our country not being in a state of revolution and our Government being properly organized, we can overrule the opposition on our side. M. Isvolsky cannot tackle the opposition on his, hence the difficulty of the situation."

The details are voluminous, but most of them by this time have little more than an archæological interest. The negotiations lasted for eighteen months and were concluded on August 31, 1907, by the signing of a Convention whereby, after a formal salute to "the integrity and independence of Persia," Russia was assigned the northern part including Tehran as her sphere, while Britain took the southern

triangle having as its base a line drawn from Bunder Abbas on the Persian Gulf to Kerman and thence north and north-east to Gazik. Each engaged not to seek political or commercial concessions, such as for railway, roads, banks, transport, telegraph services—within the sphere of the other, either for itself or its nationals. Between the two was a neutral zone free for either or both to exploit in competition. The customs and their allotment to the service of loans were left unaltered, except that the two Powers undertook to consult together about the measures to be taken in case of default.

On the face of it, Russia got the best of the bargain. Her sphere ✓ included the capital and the richest part of Persia, and she was left in a position to exercise a direct influence on the Shah and his Government which her partner was unable to control. On the other hand, the British sphere screened the Afghan and Baluchistan borders, by which alone a Russian invasion of India was likely or possible, and the concession of it by Russia signified that she definitely abandoned any intention she may have had of undertaking such an invasion.

The Afghan part of the Convention led to a long wrangle and a serious last-minute hitch about the terms in which the special relations ✓ of Great Britain with the Amir should be defined. The Russians asked for a simple pledge on Great Britain's part not to annex or occupy any part of the country and not to interfere with its internal government. The Government of India protested that this would deprive them of the only weapon they possessed if the Amir broke his treaties and that it would enable him to call for Russian assistance if they took measures against him. The battle on this point was long and stiff and there was a colourable suspicion that the Russian military party were using it to wreck the whole Convention. In the end it was settled by a clause placing on record that the British Government held itself bound by the Treaty of 1905 with the previous Amir and engaged itself not to annex or occupy any part of the country or interfere with its internal administrations, provided the Amir fulfilled his obligations under the said Treaty. For the rest the Russians undertook to regard Afghanistan as outside their sphere of interest, to use Great Britain as their intermediary in their political relations with Afghanistan, and not to send Russian agents into the country. Non-political local questions were left to be settled, as before, between Afghans and

Russians. This part of the Convention was only to enter into force when the British Government had notified to the Russian that it had obtained the consent of the Amir. This consent was never obtained, but no question arose on that point in subsequent years.

Tibet presented fewer difficulties. If they were to wind up their quarrels about the Indian frontier, neither Russia nor Britain had any interest in pursuing a veiled competition in that remote region. They engaged to respect the "territorial integrity" of the country; not to interfere in its internal affairs; to recognize the suzerainty of China, and to deal with the country only through the Chinese Government; to permit their Buddhist subjects, British or Russian, to have direct relations on strictly religious ground with the Dalai Lama and other representatives of the Buddhist religion. Both undertook not to send representatives to Lhasa or to seek concessions for railways, roads, mines, telegraphs or other purposes in the country or to appropriate any part of its revenue for themselves or their subjects. Arrangements were made for the withdrawal of the British force in the Chumbi valley after the payment of three instalments of the indemnity due to Great Britain as the result of previous operations, and for an amicable exchange of views, if for any failure on the part of the Tibetans to carry out their engagements it was thought necessary to prolong the British occupation.

5

When it was all finished and signed (Aug. 31, 1907) Grey wrote a letter to Campbell-Bannerman in which he epitomized the history of the affair. "The Russians," he said, "have eventually accepted a proposal which was agreed upon after consultation between Morley, Ritchie, Nicolson, Hardinge¹ and myself. Nicolson went back with it to St. Petersburg; Isvolsky would not have it at first, but has eventually found in it a compromise with his own opponents on the Council of Ministers at St. Petersburg. Nicolson has as usual been invaluable, never missing a point, and with excellent judgment; so

¹ Mr. John Morley, Secretary of State for India; Sir R. Ritchie, Permanent Under-Secretary at the India Office; Sir Arthur Nicolson, Ambassador at St. Petersburg; Sir Charles Hardinge, Permanent Under-Secretary at the Foreign Office.

has Hardinge with his knowledge both of the Russian Government and of Persia, and his clear view as to the good policy of an agreement. But without Morley we should have made no progress at all, for the Government of India would have blocked every point and Morley has removed mountains in the way of negotiations."¹

To the student of diplomacy the very full records in the fourth volume of the *British Documents* offer an example of team work between a group of exceptionally able men which is not easily matched. Grey keeps a light but firm hand on the steering-wheel; his officials keep him constantly warned of the shoals and snags; none of them run ahead of their instructions or fail in the candid expression of their own views within these limits. Morley does battle with the most powerful group of officials in the service of any country, and Cecil Spring Rice, now Minister in Tehran, expresses with complete candour and no little foresight the strong objections of the Persians to being handed over to the tender mercies of Russia.

But all these able men show the same simplicity about their Entente with Russia as their predecessors about their Entente with France. Now and again they glance at its European aspects, but these pass into the background as the negotiations go forward. In the early days Grey had expected that Isvolsky would raise the question of the Near East, including the Dardanelles, and he was prepared to meet him on that ground, though he was aware that it would stir large questions of treaty rights involving many Powers.² Isvolsky never so much as hinted at it. For this part of his policy he had quite other ideas which were to be developed in the following year to the great embarrassment of British statesmen. These could not be revealed to the British Cabinet, but they required him to leave his hands free to deal with Austria and Germany when his time came. Russia, in fact, was still trying to ride both horses. After much hesitation she had fallen back on the Dual Alliance when the Japanese war ended, and largely under French influence had healed her quarrels

¹ "Life of Campbell-Bannerman," Vol. II, p. 362. Towards the close of his life Morley was reported by some of his friends to have said that he was an opponent of the Russian agreement, but, if he was not misunderstood, his memory must have betrayed him.

² Gooch and Temperley, Vol. IV, p. 414, Grey to Nicolson.

with Great Britain. But she was still working under the Mürzsteg programme with Austria in Macedonia, and had backed the Austrians in resisting the much more drastic reforms which Great Britain desired. The way was still open to a Russo-Austrian deal in the Balkans, and Berchtold, the Austrian Ambassador in St. Petersburg, had encouraged Isvolsky to think that he could get everything he wanted for comparatively small concessions if he would bide his time. But for this the benevolence of Germany was necessary and not to offend her until at least it had been tried and failed was accordingly a matter of high importance to the Russian.

Isvolsky's anxieties may be read in the report of an interview which Sir Edward Goschen, then Ambassador in Vienna, had with him at Marienbad, a few days after the Convention was signed. He asked the Ambassador to beg Sir Edward Grey not to "increase the tempo" on the subject of reforms in Macedonia. The delays were "regrettable but unavoidable," and to force the pace would be very unwise. "He had received most satisfactory assurances of support from Prince Bülow, but he felt that support depended on a threat, and that a too forward and too hasty policy might defeat its own end, and lead to a stiffening of the Sultan's back by Germany and consequent protracted opposition and delay." It is improbable that Isvolsky was thinking only of reforms in Macedonia. He was by this time in a position in which any excess of zeal on the part of his British friends would seriously have compromised his plans for the following year.

6

During the King's visit to the Kaiser at Wilhelmsruhe in August of this year, Sir Charles Hardinge, who accompanied the King, had a conversation with Prince Bülow, and reported that he "welcomed the projected Anglo-Russian Alliance." The welcome was of the same kind that he had given three years earlier to the British-French Entente. In 1905 he had destroyed the proposed Björköe Treaty between Russia and Germany on the specific ground that by limiting it to Europe the Kaiser had deprived Germany of the most serviceable support which Russia could render her, i.e. by invading India, in the event of a conflict between Germany and Britain. Apart from all other considerations, it could scarcely have been welcome to him that

this possibility should have been written off by a friendly understanding between Russia and Britain. Still less to the Kaiser who had just paid a visit to the Tsar and, according to current report, made a last effort to wean him from his British attachments. The main objects of German policy in regard to Russia in recent years had been to divert her from Europe, to undermine her alliance with France, and to keep her at arm's-length with Great Britain. By the summer of 1907 all these objects had failed. Russia had been driven back from the Far East; she had renewed her relations with France; she had entered into a new and friendly relation with Great Britain. "We are under an obligation to the German people to avoid everything which could lead to our relieving England of Russian hostility and bringing that hostility on ourselves." So said Bismarck and so said his successors. After the signing of the British-Russian Convention, it no longer lay in their power to affect for good or evil the relations of the two Powers in the region in which they were most likely to come into collision. It was the habit of all diplomatists in these days to "welcome" what they had failed to prevent, but it is not to be believed that the Germans took pleasure in seeing one of the corner-stones of their diplomacy removed.

Certainly the Kaiser did not. He made no secret of the fact that he regarded the Anglo-Russian Convention as a development of King Edward's "policy of encirclement," and he saw in it a special mortification to himself, since he had had unbounded confidence in the hypnotic effect of his personality upon his friend "Nicky." His real sentiments were revealed in Prince Bülow's "Memoirs."¹ He was so angry that he was only with the greatest difficulty persuaded to keep his engagement to visit King Edward at Windsor in November, 1907, after a perilous last hour when he feigned illness—an illness which did not prevent him from taking his usual ride in the Tiergarten. Finding himself in England, he had one of his impulsive reactions and made a speech at the Guildhall in which he spoke of blood being thicker than water and declared his intense desire to maintain good relations with Britain. At a midnight sitting with Haldane he all but settled the thorny question of the Bagdad Railway and promised to concede the "gate at the Persian Gulf end" which the British Government

¹ Bülow, "Memoirs 1903-9," Ch. XXI.

desired. But this too ended in smoke after his return to Berlin. Bülow, who had spoken enthusiastically in the Reichstag about the peaceful and friendly feelings displayed in England, put his veto on the British stipulation that France and Russia should be brought in to the proposed settlement on the Bagdad Railway question, and the day after the Kaiser left Windsor the German Government announced its intention of strengthening the fleet by reducing the effective life of battleships by one-fifth. This caused renewed agitation in the British press, and when the Kaiser went on from Windsor to stay with his friend, Colonel Stuart Wortley at Highcliffe, near Bournemouth, he poured out the grievances and complaints which found expression in the famous *Daily Telegraph* interview eleven months later.

During the next eight months he was in a state of wrath and agitation which came to a climax on the announcement of King Edward's approaching visit to the Tsar at Reval. This inspired him to a defiant speech on the parade ground at Dobberitz on which, within earshot of the Russian and Japanese Military Attachés, he denounced the encirclement of Germany and struck a warlike attitude. It looked, he said, as if the tactics of an encirclement of Germany would continue. This created a very grave situation. Germany must be guided by the example of Frederick the Great who, when hemmed in on all sides by foes, had beaten them one after the other. After visiting Hamburg he reported that indignation against Edward VII and his machinations for the Entente were universal and professed to have private information that the King was up to his neck in stock-jobbing operations connected with a Russian loan, and that his policy was universally condemned by the financiers of the City. His informants told him that the King was so full of spite and envy of his Imperial nephew that every morning he searched the newspapers to see what this nephew had been doing and then spent his time in scheming how best to outdo him.

7

¹ In Great Britain itself the Agreement with Russia had a good but scarcely enthusiastic reception. As an isolated bargain it was much criticized, especially by Curzon, who had now returned from his

viceroyalty, but the general opinion was that the undoubted sacrifices which it made were justified by the greater security guaranteed to India and the general improvement of British and Russian relations. Except for the little group of Radicals which objected to advances of any kind to the Russian tyranny, the Liberal party warmly approved, and saw in the convention a new guarantee of peace. That it disturbed the balance of power in Europe or could give legitimate offence to any other Power occurred to no one. Whatever view they took of the particular bargain, Englishmen of all parties would have considered it utterly unreasonable that a third Power should object to an understanding between Russia and Britain on matters in which it could have no concern. As for themselves, the question was simply whether Great Britain had got enough for what she had conceded in the Central Asiatic part of the agreement.

Grey's thoughts went a little beyond this. "I am quite pleased," he wrote to Nicolson (Feb. 24, 1908) ¹ "from the point of view of general policy that events are bringing Russia and us together. But a combination of Britain, Russia and France in the Concert must for the present be a weak one. France has her hands full in Morocco, and is naturally reluctant to run the risk of even diplomatic friction in connexion with any other matter which might react unfavourably on her in Morocco. Russia is weak after the war, and her internal affairs are anything but secure. Ten years hence a combination of Britain, Russia and France may be able to dominate Near Eastern policy; and within that time events will probably make it more and more clear that it is to the interest of Russia and us to work together; but we must go slowly." To Grey "dominating Near Eastern policy" in the European Concert meant something different from what it would have meant to the power politicians of Europe, but undoubtedly the phrase would have sounded ominous to Germans and Austrians. Europe in general judged that any *rapprochement* between England and Russia on whatever subject was bound to have important effects on European policy. Almost everywhere the Central Asiatic agreement was linked up with the French Entente as a further step into the camp of the Dual Alliance; and the German opinion that the British casting vote had now definitely been cast

¹ Gooch and Temperley, Vol. IV, pp. 616-17.

against the Triple Alliance was confirmed by the undisguised satisfaction of the French. They had been active throughout the whole affair, and had undoubtedly achieved one of the main objects of their policy when England became the friend of their friend.

Grey tried to trim the balance by letting it be known that he was ready to conclude similar agreements with Germany or any other Power which had outstanding causes of quarrel or friction with Great Britain. In the autumn of 1907 he actually did conclude with Germany the so-called North Sea Agreement, the counterpart of a Baltic Agreement between Germany and Russia, which pledged all the coastal Powers to respect the *status quo*. The negotiations on this agreement were solemn and prolonged, and the utmost effort was made to give it importance for the minor Powers, who saw in it a guarantee of their independence against the ambitious aggressions of their greater neighbours. But no ingenuity could make it comparable to the British-Russian Agreement which, in German eyes and in those of most European observers, so far from maintaining the *status quo*, altered it definitely to the prejudice of Germany and her Allies.

All through these months well-meaning people on both sides continued their efforts to appease the rising quarrel between Britain and Germany. A party of British editors visited Germany in June, 1907, and were sumptuously entertained by the German Government and granted interviews by the Kaiser.¹ All endeavoured to believe that the British-German quarrel was a "misunderstanding" which could be cleared up by a little frank speaking. But untoward things

¹ On this occasion I had an hour's conversation with Prince Bülow at his official residence in Berlin. He said that the trouble between England and Germany was as if some mischievous person had deposited a shell in your garden. If you let it alone it would do no harm, and in time would die, but if you kicked it about it might easily become dangerous. Happily it was dying, and he hoped in future it would be let alone. Bülow afterwards introduced me to Holstein, who was at no pains to conceal his ill-temper. On the same occasion I had a conversation with the Kaiser, who spoke strongly and vehemently about what he considered to be the neglect of Germany by English statesmen, and complained that they did not visit the country or take the trouble to study and understand its affairs. ("Life, Journalism and Politics," Vol. I, pp. 208-10).

were always happening. British editors who supposed themselves to have received an assurance that the naval competition had reached its limits, were unpleasantly surprised to discover later that the largest new Navy Bill had been in preparation at the time of their visit. "*Non cantu sed actu*," Bülow reports himself as having said to the Kaiser when the latter was declaiming against the British Entente with Russia, and the practical reply of the Germans was the great naval scheme of 1908.

CHAPTER XXVII

THE RISING QUARREL

1907

I

IMPORTANT and far-reaching as had been the results of the session of 1906, what loomed largest in the minds of Liberals at the end of the year was the destruction of their Bills by the House of Lords. The Unionist leaders had now made it clear beyond all doubt that they intended to place their own limits on Liberal legislation and would not be deterred by the great majority in the House of Commons. Looking ahead, Liberals could see nothing of serious importance in their programme which would not share the fate of the Education Bill, and complained bitterly that though nominally in power, they were only so on the sufferance of their opponents.

Tempers were at boiling-point, and platform invective grew shrill. Lloyd George incurred King Edward's displeasure by declaring the issue to be "whether the country was to be governed by the King and peers or by the King and the people." "His Majesty," Lord Knollys wrote to the Prime Minister, "feels he has a right, and it is one on which he intends to insist, that Mr. Lloyd George shall not introduce the Sovereign's name into those violent tirades of his. . . . The King says he has no doubt he will be told it was only a 'phrase,' but he must really make a point of his name being omitted even from a 'phrase' in Mr. Lloyd George's invectives against the House of Lords." Quite early in the day King Edward perceived that a conflict between the two Houses must in the long run be an embarrassment to the Crown which possessed the only known means of deciding it, and from this time onwards until his death, he is seen actively at work behind the scenes endeavouring to keep the peace between the

two parties. The King had an acute sense of the danger of the monarchy being left the sole hereditary institution in the country. This was probably exaggerated, but it was a factor to be reckoned with when the question of House of Lords reform became important.

Lloyd George explained that he had used his phrase "out of respect" to the Sovereign, thinking it improper to omit a "reference to the Supreme Head of the State" on so serious an occasion. He "was not ready to be governed by the King and peers but would bow to the King and the people." Not without reason the King questioned the constitutional propriety of either expression and said sharply that he expected his Ministers to abstain from advocating, directly or indirectly, the abolition of the House of Lords. If anything had to be done, mending and not ending was to be the word. Mending was now what the Government took in hand.

Campbell-Bannerman was not given to invective, but after the destruction of the Education Bill he promised his supporters to "find a way" of dealing with the situation. Accordingly the King's Speech at the beginning of the 1907 session contained a passage declaring that "serious questions affecting the working of our Parliamentary system had arisen from unfortunate differences between the two Houses," and that "His Majesty's Ministers have this important subject under consideration with a view to a solution of the difficulty." For the next six months Ministers continued to say in the House and out of it that they would not "act as caretakers for a party which the country had rejected," that "the time for compromises and temporizings and verbal expostulations had gone by," that "the British people must be master in their own house," and so forth, but these were phrases which had been heard a hundred times before, and impatient followers wanted to know what the Government intended to do.

2

Ministers in fact were debating that question among themselves, and for some time with small prospect of agreement. Should the House of Lords be reformed and its personnel changed so as to cure its partisan character, should its powers be curbed, should both of these things be attempted at the same time, or the two taken separately?

All parties agreed that some reform was necessary. Lord Newton, a Tory peer, had introduced a Bill for that purpose ; Lord Cawdor, another Tory peer, had moved for a Select Committee on the subject. But the two parties evidently had quite different motives. The one wished to clear the ground of obstruction to Liberal and Radical measures, the other to strengthen the defences against these measures. When the subject came to be examined, there seemed to be objections to every possible "reform." An elective, or predominantly elective, House would be a rival to the House of Commons ; a non-elective, though it might be packed for a time, would inevitably in a short time take on the Conservative character of the existing House. All the suggested compromises left the essential problem unsolved.

The Cabinet Committee appointed to explore the subject proposed to leave the composition of the House of Lords alone, and presently produced a scheme for joint sittings between a delegation of the existing House of Lords and the House of Commons sitting in its full strength. In case of disagreement it was proposed that a hundred peers, among whom all members of the Administration should be included, should debate and vote with the Commons, and that divisions taken in this joint assembly should be final. This proposal filled Campbell-Bannerman with dismay, and he took the unusual course for a Prime Minister of addressing a memorandum to his colleagues against it. It would be difficult, he said, to make the plain man understand how a vote in which the whole of one body and only a fraction of the other is entitled to share could properly be described as a joint vote of the two bodies. An assembly of 770 persons would in any case not be a "conference" but a mob, and its voting would be on strictly party lines which would exclude the negotiations and diplomatic give-and-take arrangements which the occasion required. Further, it would mean permanent paralysis of all Liberal Governments with a majority of less than seventy—the number required to out-vote the peer delegation—for the Tory party would certainly argue that special machinery had been provided to settle the difference between the two Houses and refuse to give way unless that machinery were made use of. The Prime Minister painted a gloomy picture of the 770 sitting in either Westminster Hall or the Royal Gallery—places of which the acoustic properties were notori-

ously bad—and holding up all the normal proceedings of Parliament while they talked.

Having thus demolished the plan of the Committee, the Prime Minister proceeded to argue for his own plan—the plan of the suspensory veto, borrowed originally from John Bright, of which for many years he had been the special advocate. This, in his view, provided for everything that was necessary—conference, delay, deliberation—while offering a final solution. Suppose a Bill killed by disagreement between the two Houses. An interval follows during which public opinion is sounded and tested and the situation is reviewed. At the end of the interval, say at the beginning of the following session, each House appoints five or ten of its members to meet in conference the representatives of the other House. They may propose amendments which the Government may accept or refuse to accept. In the latter case, after the repetition of the process in a second session, the Bill would go to the Lords with an intimation that it would be passed over their heads if they still objected, but the doors would be open to concessions and compromises until the last minute of the twelfth hour. Better than any other this scheme secured the essential object—that the will of the House of Commons should prevail—and yet provided for the reflection and reconsideration which it was the purpose of the Second Chamber to provide.

Other schemes had their advocates, especially the referendum, which was greatly in favour among Liberal Unionists and was warmly advocated by the *Spectator*. That had the appearance of being entirely democratic, but the Government rejected it on the double ground that it would be fatal to representative and Parliamentary government, and that the House of Lords could not be trusted to apply it impartially to Liberal and Conservative measures. Liberal measures always, and Conservative measures never, would be submitted to the proposed plebiscite.

There were further debates in the Cabinet, but in the end the Prime Minister prevailed, and Ministers adopted the suspensory veto as the Liberal policy. On June 24 Campbell-Bannerman himself introduced it into the House of Commons in the form of a resolution which he declared to be the proper constitutional procedure, but which his opponents derided as shelving the issue. The debate was highly

acrimonious, and Campbell-Bannerman charged Balfour with lacking in loyalty to the House of Commons. Balfour retorted by charging the Government with deliberately trying to pick a quarrel with the Lords and framing their Bills for the express purpose of getting them rejected. Lloyd George forgot his promised discretion, and said that the House of Lords had been wrongly called the watchdog of the Constitution, since it was in truth "Mr. Balfour's poodle." Winston Churchill said it was a "one-sided hereditary, unprized, unrepresentative irresponsible absentee." The resolution was carried by the Government's normal majority, 432 to 147, but the Opposition were not alarmed. The House of Lords had been damned and doomed a hundred times, and damning and dooming it was a familiar exercise of the Radical party. Ministers could not introduce a Bill on the lines of the resolutions without rapidly bringing the Parliament to an end, and this they evidently had no intention of doing. Unionists had only to wait till the pendulum swung and the House of Lords would be safe for another generation. So ended the first round in the battle.

3

In the light of after events, the one important measure of the session of 1907 was the new War Secretary's scheme for providing the country with an Expeditionary Force and a Territorial Army. When Haldane, the lawyer philosopher, was appointed to that office no one expected him to do more than carry on, with due regard to the economies which Radical Governments were supposed to desire. Campbell-Bannerman, himself an old Secretary for War, looked on with quiet amusement to see "what sort of figure Schopenhauer" (as he called him) "would cut in the Barrack Yard." Before a month was out, Schopenhauer was hard at work, sorting out the discarded schemes of his predecessors and bringing an acute mind to bear on the confused mass of troops—regulars, militia, volunteers—which then constituted the British Army. Within six months he had assured his colleagues that he could give them a much better army at considerably less cost, and they were so well satisfied with the promised economies that they gave him a free hand for the rest of his schemes. Before the end of the year he was hard at work on a large and seemingly intricate,

but really simple, scheme for organizing the army in two lines, one a professional force of 160,000 men, instantly ready for service wherever it might be required, the other a second line army composed of volunteers organized in divisions with their proper complements of infantry, cavalry and artillery, and equipped with transport and medical service—to be raised territorially, and in all non-military matters controlled by County Associations, of which the Lords-Lieutenant were to be chairmen. All this he contrived to do without disturbing the provision for garrisons abroad in time of peace.

Haldane introduced this scheme on February 25, 1907, in a speech of immense length which entirely defeated the understanding of nine-tenths of the members of the House of Commons. It abounded in technical military terms; it assumed a knowledge in his hearers of the functions and duties of Army Corps, Divisions, Regiments, Battalions, Companies; of General Staff and Army Council, of the differences between long-service and short-service; of the importance of the Cardwell system with its provision of linked battalions, which the Prime Minister, as an old Cardwellian, thought to be the Ark of the Covenant. It was an amazing performance which dazzled and mystified his hearers, who mostly retired from the scene and left Haldane debating with the little band of military experts, as he did, inexhaustibly for the next three or four months, at the end of which his scheme passed substantially unaltered.

Its importance was only to be realized when it was put to the test in 1914. But we may wonder, on looking back, that Ministers who were party to this scheme, and Members of Parliament who had had the opportunities of listening to the debates on it, should have complained afterwards that they were unaware of the military liabilities of the country and the possibilities which faced it. If anything was written large in it, it was the hypothesis of a European war in which we should be compelled to take part in alliance with another Power. Here for the first time was a fully equipped, instantly ready army, calculated on the basis that it would tip the balance in favour of our probable ally, France; and behind it was a carefully organized army of volunteers, with provision for quick expansion, to take its place at home when it went abroad. No measure could more definitely have marked the breach with isolation in these years.

Newspapers openly debated the underlying assumptions of this scheme, British soldiers felt that they had a new importance, foreigners drew large inferences. But British politicians for the most part considered only whether it would be economical or the reverse, whether it would lead to conscription or bar the way to it. The debate on this last point was specially heated. The Labour members saw a first step taken towards compulsory military service; Lord Roberts and Lord Northcliffe were so convinced of the contrary that they presently launched an agitation for compulsory service which at one time threatened seriously to undermine the Territorial Army. Haldane, meanwhile, kept steadily on his own road, and within two years he had the satisfaction of seeing the Territorial Associations actively at work, and the Expeditionary Force on the way to becoming, within its limits, the perfectly organized unit that it proved to be when tested.

4

In most other respects the session of 1907 was fruitless and vexatious for the Government and its supporters. One of its principal measures, the Irish Devolution Bill, introduced on May 7 as the first step in the step-by-step policy to which Ministers had limited themselves by their pre-election pledges, proved a fiasco. The Prime Minister called it a "little modest, shy, humble effort to give administrative powers to the Irish people"; and it did no more than transfer certain departments (Local Government Board, agriculture, and technical instruction, national and intermediate education, reformatory and industrial schools and the like) hitherto administered by Dublin Castle to a representative Irish Council consisting of 82 and 24 nominated members, which was to be started on its career with a bonus of £650,000 from the Imperial Exchequer. Though thinking it but a trifling instalment of the Irish demand, Redmond, the Irish leader, had led the Government to believe that it would be accepted by the Irish people as a step in the right direction, and Birrell, who was now Chief Secretary, had reported to the same effect. Both of them were wrong. At a National Convention held in Dublin in Whitsun week, the Bill was unanimously rejected, Redmond himself moving its rejection on the ground that further scrutinizing of its provisions had convinced him that it was past mending.

Ministers consoled themselves with the reflection that if it had gone forward Redmond would have moved amendments which would have placed them in the exceedingly embarrassing position of having to accept them and exceed their election pledges, or to reject them in the teeth of a dangerous combination of Irish and Radicals. Their supporters replied that they should have thought of this before adopting a weak compromise which damaged their credit without conciliating their opponents. The National Convention, meanwhile, had been a warning to all parties of the growth in Ireland of the new Sinn Féin movement which was for meeting the British refusal of Parliamentary Home Rule with an extremer and more defiant demand. That was as yet in its infancy, but in Whitsun week, 1906, it was strong enough, with the backing of the priests, to exercise a powerful influence for the rejection of any policy short of Gladstonian Home Rule.

In the meantime the Irish land question had broken out again in a peculiarly irritating form. Lands from which tenants had been ejected had been laid down to grass and steps taken to turn them into grazing farms. Whereupon the evicted tenants and their sympathizers, led by an Irish member, Mr. Ginnell, drove off the cattle and sent them wandering over the neighbouring country. The Government was determined not to use the Crimes Act for suppressing agitation in Ireland, but in its default offenders generally went unpunished, the benches of magistrates being swamped for the occasion by district councillors who were ex-officio justices. Late in the year the Government succeeded in getting an Evicted Tenants Bill passed by which the Estates Commissioners were empowered to take land compulsorily for the resettlement of evicted tenants, but not until it had been so handled in the House of Lords that the Irish members declared it to be useless. In the meantime Ministers had been exposed to a raking criticism for their helplessness in face of what was a plain defiance of the law.

Mr. Lewis Harcourt succeeded in steering through both Houses without serious amendment a Bill giving County and Borough Councils power to acquire land and lease it to smallholders, and Parish Councils similar powers in respect of allotments—a modest measure of considerable value in subsequent years. But the peers

were merciless to the Scottish Secretary's Small Holdings and Land Valuation Bills for Scotland. These with their proposals to extend the crofter system to the Lowlands, to set up a Land Commission for the fixing of "fair rents" and to give it compulsory powers, filled landowners with alarm and were hotly denounced as importing into Scotland the evils and quarrels of Irish land legislation to say nothing of valuation which then, as later, was a red rag to landlords. The Lords hung up both Bills with a promise to return to them when they had disposed of the English Bill, but their intention was so evident that the Government decided to withdraw them.

5

Widespread industrial unrest was a feature of this year. Having recovered the right to strike, Trade Unions were in a militant mood. The railwaymen were first in the field with a long list of grievances. They said that only a very few of the members earned more than 30s. a week, and that fully a third were receiving only £1 a week or less. They said that not infrequently they were called upon to work fifteen, sixteen and even seventeen hours a day. They asked whether these long hours and low wages could be justified in a service on which the safety of the public as well as their own lives depended. The railway companies seemed immovable, and in October, 1907, the Amalgamated Society of Railway Servants passed by an immense majority a resolution in favour of a strike. The country was greatly alarmed at the prospect of life and trade being brought to a standstill by a stoppage of the railways—a thing which till then had been thought impossible. At this point Lloyd George, the President of the Board of Trade, appeared on the scene and acted with vigour to bring the parties together. He was helped by the fact that the Society of Locomotive Engineers and Firemen had stood aloof from the strike movement, which could hardly have succeeded without them. But he showed great skill in reconciling the men's demand to deal through their Union with the employers' prejudice against "recognizing" the Union, and set up a system of Conciliation Boards on which both were represented. On these terms the peace was kept and the men got substantial advantages. The Prime Minister wrote to the King that the country was "largely indebted for so

blessed a conclusion of a time of great anxiety and danger to the knowledge, astuteness and tact of the President of the Board of Trade and those around him in his Department." Lloyd George further distinguished himself in the same months by a timely intervention to prevent a cotton strike in Lancashire, and another at the beginning of the following year to make peace in an engineers' strike which had broken out on the Clyde and on the Tyne. Employers complained that these Government interventions were generally on the side of Labour, and predicted more trouble if strikers could rely on the Government coming to their aid whenever they "downed tools," but in these cases the public judged that the men had serious grievances, and thought it right that the President of the Board of Trade should use his influence to prevent the continuance of disputes which plainly threatened serious damage to other trades besides those immediately concerned.

By the end of the year 1907 the spirits of the great Liberal majority were visibly drooping. After four years of prosperity, trade seemed to be languishing and unemployment again becoming serious. The Parliamentary session had disappointed many hopes, and events outside Parliament offered no consolation. The Hague Conference had ended in disappointment and mortification; the Colonial Conference, to which Imperialists attached the highest importance, was bound in the circumstances to be an embarrassment for the Government. Encouraged by the Tariff Reformers, the Premiers of Australia, New Zealand and the Cape proposed resolutions in favour of Imperial Preference, to which the Government could only answer that they were bound by their policy and by the results of the British elections not to impose the duties on foreign imports which would be necessary for this purpose. Asquith said it in polite language, Winston Churchill then Under-Secretary for the Colonies, said in more emphatic terms that the door had been "banged, barred and bolted" against this policy. Efforts were made to divert attention from this absorbing subject. There were discussions on other ways of encouraging imperial trade, on the establishment of an "all-red" route, via Canada, to Australia, on whether British shipping could be excluded by local laws from the coastal trade of the Dominions. There were banquets at which loyal toasts were enthusiastically drunk, and everyone said

that sentiment was more than commerce. But Tariff Reformers were saying every day in their newspapers and on their platforms that the Dominionists were being cold-shouldered and sent empty away by a pedantic and ungrateful Government; and a lively controversy followed when some of these guests attended public meetings and made speeches in favour of Protection.

6

Before the end of the year the Prime Minister was a very ill man. He had lost his wife to whom he was greatly attached a few months after he took office, and in the subsequent months had carried a load of work and anxiety in face of heart attacks of increasing severity. The session of 1907 was his last, for though he made one appearance to make a short business statement at the beginning of the 1908 session, he never afterwards returned to the House of Commons, and was from that time a dying man. The period of his illness was one of some embarrassment for his colleagues. He believed to near the end that he could recover, and they were anxious to do nothing that might lead him to think otherwise. King Edward was at Biarritz and had begged him, if he thought of resigning, to do nothing until the Court returned to London at Easter. For six weeks government was all but in abeyance; arrears of unsettled questions were piling up, and there was the unrest which is usual when Cabinet Ministers are aware that change is hanging over them.

At the beginning of April Campbell-Bannerman himself came to the conclusion that this could not go on, and though King Edward was still reluctant to accept it, sent in his resignation. Three weeks later (April 22) he died. The tributes paid to his memory in the House of Commons and in the newspapers bear witness to the peculiar affection in which he was held by his supporters and indeed by not a few of his opponents. The passions which he had aroused by his speeches during the South African war had died down, and a great many remembered only the staunchness with which he had stood to his guns in face of denunciation and obloquy. In later years he had become established in the popular view as a "character," whose homeliness and simplicity were in welcome contrast to the clever dialectics and oratorical excesses of other public men. That was

perhaps a little exaggerated, for with all his homeliness he had in his short time as Prime Minister shown a remarkable sagacity and an eye for effective moves in the Parliamentary game which opponents underrated at their peril. Asquith said of him that he reversed the damning Tacitean tag: "*capax imperii nisi imperasset*," and it was true. In the two years in which he exercised power he had developed a capacity with which very few had credited him while he was a leader in Opposition. In the former years he had often seemed fumbling, easily thrown out of his stride by an effective interruption, slow to see and seize Parliamentary openings. Not a few of his own supporters had blamed him for the survival of the Balfour Government when so many circumstances were working together to bring it down. But all this changed from the moment that he appeared as Prime Minister and leader of the great Liberal majority in the new Parliament. He was now alert, vigorous and shrewd in dealing with opponents, and the trust reposed in him by his own party was such that discontent in the rank and file seemed to vanish at his touch. "We honoured and loved him," said Mr. T. P. O'Connor, speaking for the Irish party, and Mr. Henderson added that "nowhere was his loss more keenly felt than in the ranks of the Labour party."

His fame as a Liberal statesman is likely to rest on his determination to grant self-government to the Transvaal and Orange River Colonies the moment he had the opportunity, and thus to lay the foundation of reconciliation and union between British and Dutch in South Africa. It was in large measure a personal achievement carried in the teeth of what at the time seemed wisdom and prudence in the eyes not only of his opponents but a considerable number of his own Liberal supporters. Milner said in later days that "only the miracle of Botha" saved it from disaster, and a miracle like Botha was more than even the British Empire had a right to expect. But Botha without Campbell-Bannerman would have been helpless, and if the credit is shared, it must be at least in equal proportion. Botha himself said that Campbell-Bannerman laid the foundation of a United South Africa.

A friendly French writer spoke of his South African policy as "this divine madness," but it was precisely this which marked him as the typical British Liberal statesman for this period in European eyes,

and he was thus spoken of long after his death. Clemenceau, then French Prime Minister, came from Paris for the funeral service in Westminster Abbey, desiring, as he said, "to place a wreath on the bier of a friend who was a great figure, a true Liberal and a man who knew how to brave unpopularity when his convictions required him to do so."

CHAPTER XXVIII

THE SUCCESSION OF ASQUITH

1908

I

THERE was this time no question about the successor to the position of Prime Minister. Asquith had been deputy-leader in the House of Commons for the previous two years and he was without rival or competitor. But while his succession was everywhere taken for granted, there were not a few in April, 1908, who doubted whether he would prove as acceptable as his predecessor to the great and unwieldy majority that stood behind the Government in the House of Commons. The differences between the two men were obvious and striking, and the critical dwelt on Asquith's reserve and intellectuality in contrast with Campbell-Bannerman's familiarity and simplicity. Still more he had the reputation of being an Imperialist, and a large number who had looked to his predecessor to keep foreign policy within bounds feared that with Asquith as Prime Minister, Grey as Foreign Secretary, and Haldane as Minister for War, the Liberal and pacifist forces would be dangerously weakened.

Others, and among them some of Asquith's warmest friends, said it was bad luck that he should have come to the highest place at a moment when reaction from the great victory of 1906 was inevitable, and would probably bring with it a revival of the quarrels which had troubled his career in former days. By-elections were already being lost, and Unionists confidently believed that they had only to persist in their tactics of the previous sessions to bring the Government down and reduce its efforts to a "ploughing of the sands." The general prognostication was that Asquith's reign would be short, and that

it would coincide with a period of declining fortunes for the Liberal party. No one in April, 1908, would have dared to predict that he would hold his office continuously and without serious challenge for nearly nine years.

King Edward was still at Biarritz when Campbell-Bannerman resigned, and from Biarritz he sent his summons to the new Prime Minister. *The Times* and other newspapers were greatly shocked at the idea of a British Prime Minister "kissing hands" with the Sovereign in a French hotel, and there was something like dismay when it was whispered that the King proposed to hold the Council for the "swearing in" of his Ministers in Paris. That enormity was prevented, and in two days Asquith was back from Biarritz bringing a complete list of his Ministers with him. The King had simplified the proceedings by taking objection to none of them—a rare incident in the formation of a Government. The principal changes from the former régime were the appointment of Lloyd George to be Chancellor of the Exchequer—an office which Asquith had originally intended to retain himself—the promotion of Winston Churchill to the Cabinet as President of the Board of Trade, and of Walter Runciman as President of the Board of Education; and the substitution of Lord Crewe for Lord Elgin at the Colonial Office, and of Mr. McKenna for Lord Tweedmouth as First Lord of the Admiralty. Lord Elgin and Lord Tweedmouth were unaffectedly surprised at their displacement, and Lord Elgin declined the marquissate which was offered him as a consolation, but Asquith was anxious to bring young and able men into his Cabinet and it was agreed that on the whole he had improved on the former combination.

2

Asquith made one stipulation in appointing Lloyd George as Chancellor of the Exchequer, which was that he should himself introduce the Budget which, as Chancellor of the Exchequer, he had prepared for the year 1908. His chief work in the previous years had been in finance, and he had earned himself the reputation of being a skilful and frugal financier on orthodox lines. His first Budget (1906) was mainly an inheritance from his predecessor, but his second—that of 1907—established the distinction between earned

and unearned income, and laid down the principle that the earned part should not pay more than ninepence of the "normal" rate of income-tax, assumed to be a shilling. By means of economies in the "spending departments," which incidentally led to a sharp struggle with the Admiralty, he found himself with a realized surplus of £4,726,000 at the end of the year 1907-8, and was able to budget for a surplus on the same basis of taxation of nearly £5,000,000 over an estimated expenditure of £153,000,000 for the following year. From the beginning he had set his heart on launching a scheme of old age pensions before he left office, and in this cautious way had built up a fund for what the taxpayer, in these days of unheroic finance, would otherwise have considered a rash plunge into the unknown.

Provision for Old Age Pensions was the chief feature of the Budget of 1908, which he now introduced as Prime Minister (May 7). The pensions scheme itself was introduced three weeks later (May 27) in the form of a Bill which he commended to the House and described to the King as a "modest and tentative" measure redeeming a long-deferred promise. It gave 5s. a week to persons at the age of 70 who had not more than £20 a year, and smaller sums in a sliding scale down to 1s. to those who had not more than £31 10s. a year. It was to cost £2,240,000 a year in the first year, and to mount up to £6,000,000 in the next two years. With this prospect in view, an austere Chancellor of the Exchequer, such as Asquith was supposed to be, might have been expected to keep his surplus in hand. But with large realized surpluses two years in succession, and debt being paid off at the rate of fifteen millions a year, this was more than virtue would stand. Asquith decided to reduce the sugar tax from 4s. 2d. to 1s. 10d. per cwt. at a cost to the Exchequer of £3,400,000 per annum. This was to have formidable results in the following year, when large new demands for the navy consequent upon the German Navy Law of 1908 were to upset all calculation and precipitate the great Budget crisis of 1909.

The Pensions Bill gave general satisfaction, but it was criticized from opposite points of view—by Labour members who considered it mean and inadequate, and by Unionists who held it to be a dangerous experiment which they could not approve but would not oppose. When it reached the House of Lords, Lansdowne said he thought the

argument against it conclusive, but could not advise the peers to risk the misrepresentation which would surely follow if they rejected it. Rosebery, who by now was in a state of serious alarm about Liberal and Radical finance, thought that "a scheme so prodigal of expenditure" might "deal a blow at the Empire which would be almost mortal." The Lords made certain amendments in Committee (including one limiting the duration of the scheme to seven years) which the Speaker ruled out as breaches of the Commons privilege in dealing with the conditions on which money should be spent, and the Bill was passed as it left the Commons.

3

Budget and Old Age Pensions came within the sphere of finance, which still in these days was thought to be the prerogative of the House of Commons. Most other measures of importance in this session were either wrecked by the House of Lords or encountered such opposition that, with certain destruction awaiting them when they reached that assembly, it seemed not worth while to pursue them.

With some temerity Asquith had chosen Temperance as the principal measure of his first session, and his first important appearance as Prime Minister was on April 28 when he introduced and obtained a first reading for his Licensing Bill. This, like the Education Bill of 1906, directly challenged Unionist legislation in the previous Parliament, and there was every likelihood that it would be resisted with the same vehemence. Once again as in previous years Liberals spoke scornfully of the alliance between beer and the Bible, and the rally of all the Unionist forces in one session for the defence of Church interests in Voluntary schools, and in another of the brewers' interests in public-houses gave colour to their gibe. The combination was no doubt accidental, but it was also very formidable.

The choice of Temperance as a battle-ground, like that of Education in 1906, has been condemned by critics in after years as a blunder in strategy. But those who judge thus have forgotten or never knew the old Liberal party. Greater sobriety combined with a less Puritan outlook, has damped zeal for temperance legislation in the subsequent years, but at the beginning of the century it still held its place in the minds of an immense number of Liberals as one of the most urgent

of all social reforms. However unpopular it might be, no Liberal Government could have shirked it without heavily losing caste with the more serious of its supporters. Asquith himself held strongly that the Unionist Act of 1904, which converted a public-house licence from an annual permit to sell drink revocable at the discretion of the magistrate (as the Courts had decided it to be) into a freehold of the owner, was contrary to public policy. His Bill endeavoured to strike a mean between these two things by setting up a time-limit of fourteen years, during which the total number of licences was to be reduced by one-third, but compensation paid by a levy on the trade, as under the existing Act. At the end of the fourteen years local option was to be instituted either for prohibition or for reduction in a given area, and during the fourteen years local option might be invoked to prevent the granting of new licences, which were in no case to bring the numbers beyond the scale scheduled for the parish or area.

Though its machinery looked complicated, the proposal was quite simple in its aims. Reduction was to be drastic all along the line and no longer left to the discretion of magistrates. Local option, the long-desired goal of the Temperance party, was to come into existence, but not till after a period of delay, during which the old system would be in liquidation. Asquith explained it all in a speech which made it appear a perfect model of moderation and compromise. It was indeed too moderate for the zealots of Temperance Reform, who for forty years had been demanding "total and immediate Prohibition," and they pulled wry faces at the prospect of having to wait fourteen years, during which a Unionist Government might return to power and repeal the new legislation. But this was as nothing to the storm which broke out on the other side. The Bill was denounced as "spoliation," "blackmail," "hypocrisy," "brigandage." The proposal to curtail facilities for drinking kindled a white heat of moral indignation. It was said that the sanctity of all property would be threatened if the publican's expectation that his licence would be renewed were trifled with by the Legislature. Brewery debenture holders held a meeting in the Cannon Street Hotel to protest against the attack on "the savings of the people," which they assumed to be invested in brewery shares. More effective still was the appeal to the multitude against the curtailment of their privileges by a

Puritanical Government. "Robbing the working man of his beer" became once more the cry of the hour.

Harcourt had paid dearly for his attempt to institute local option in 1894, and it seemed as if Asquith would suffer the same fate. His Bill, with minor amendments, passed the Commons with a majority of 246, but Unionist leaders and party managers were unanimous that no mercy should be shown to it in another place. King Edward watched with anxiety the prospect of a further collision between the two Houses, and this time on a subject on which it was likely that a great deal of serious opinion would be on the side of the Commons. Was it wise, he asked, to proceed in the unceremonious way which the Unionist leaders were now contemplating, of rejection on second reading in the House of Lords? Might not the peers "suffer seriously" if their attitude was "such as to suggest that they were obstructing an attempt to deal with the evils of intemperance?" "Would it not be better to give the Bill a second reading and attempt to amend it in Committee?" He had ascertained that Asquith was ready to accept amendments, extension of the time-limit and so forth, if he was assured that they would secure the passing of the Bill. The King saw Lansdowne and endeavoured to persuade him that this would be the wiser course. The effort was useless. Very important peers, Milner, Cromer, St. Aldwyn, Balfour of Burleigh, Lytton, were of the King's opinion, but at a party meeting held at Lansdowne House on November 26 an overwhelming majority were for rejection on second reading, and after a brief debate on the following days, the Bill was thrown out by a majority of 272 to 96. The explanation which Lansdowne gave for this summary action was that almost any amendments the Lords might make would be treated, like their amendments to the Old Age Pensions Bill, as breaches of the Commons privilege, but the real reason was that both in principle and in detail the Bill ran counter to one of the longest and stubbornest traditions of the Conservative party. The brewers would not have it, and this was decisive.

4

Thus again the Liberal Government had been obliged to watch helplessly the destruction of the principal measure of the session, and

again they were by no means certain whether they were "filling up the cup," as they consoled themselves by hoping, or "ploughing the sands" as their opponents said confidently. They had no better fortune with the interminable Education question, which again occupied a large part of the session. Nonconformists were more than ever aggrieved after the rejection of the Bill of 1906; "passive resisters" all over the country were refusing to pay rates for Voluntary schools, and submitting to have their goods sold up. They declined to believe that "the strongest Government of modern times" could do nothing to redress their grievance. McKenna, who had succeeded Birrell as President of the Board of Education, tried his hand soon after Parliament assembled in February with a short Bill making Council schools the only schools which children could be compelled to attend and the only schools receiving rate-aid. Thus in single-school parishes there were to be none but Council schools, but in these the denominations were to have facilities for giving their own kind of religious instruction at their own cost. The "non-provided," i.e. former Voluntary schools, in other districts were to be compensated for the loss of rate-aid by an increased Exchequer grant which would all but cover the cost of maintenance. In effect everything was to be paid for out of public funds except the cost of religious teaching, and in all but the single-school districts there would have been little alteration in the existing system. The Bill was tabled as a basis for discussion with an intimation that it would not be proceeded with till later in the session.

Discussion was accompanied with the heat and violence now usual on this subject. Churchmen denounced the Bill in unmeasured terms. The Bishop of Manchester said that "as a specimen of class legislation, of unscrupulous rapacity, and of religious intolerance in the twentieth century, the Bill would deserve a place in historical archives by the side of racks, thumb screws, boots and other engines of torture." Balfour told the Government that it was sacrificing education absolutely to "the violence of your religious prejudice and to the desire to injure a Church to which you do not belong." Nonconformists thought what was offered far too generous to the Church, and saw the voluntary system perpetuated in all but the name wherever there was more than one school. In April, McKenna

became First Lord of the Admiralty and no more was heard of his Bill.

His successor, Mr. Runciman, was undismayed and started again in the autumn on a new basis. In November he reported to the Cabinet that negotiations with Dr. Davidson, the Archbishop of Canterbury, and the Nonconformist leaders had revealed "a general agreement among moderate men in both camps." This seemed good news and on the strength of it, he also produced a Bill, this time on what was hoped to be agreed ground. As in the previous Bill, all schools in single-school parishes were automatically to become Church schools, and the "non-provided" schools to be maintained by an Exchequer grant instead of rates, but in this Bill the denominationalists were to have the "right of entry" to give special religious teaching in all schools, Council as well as "non-provided," on two days in the week, if such teaching was asked for by the parents and its cost borne by the denomination.

The Archbishop's view was that this concession would in the long run prove of more value to the Church than the sacrifices it was asked to make. He looked ahead and thought it highly probable that the Council schools would increase in number and importance, and the Voluntary schools dwindle progressively ¹ and perhaps be extinguished by an all-pervading public system. To secure for the clergy or those whom they nominated the right to teach their doctrine in all elementary schools, public as well as voluntary, seemed to him a permanent advantage which outweighed all present drawbacks. In the light of experience it may well be said that he judged sagaciously from the Church point of view, but this was not the view of his episcopal and ecclesiastical brethren, and it soon appeared that he could not carry them with him. They thought the maintenance grant which Mr. Runciman proposed for Voluntary schools insufficient and asked for more. They wanted the head teacher as well as assistant teachers to be eligible to give the special teaching, a demand which raised all the old difficulties about test-free teachers. Some said that they had no interest in any schools which were not permeated at all hours by

¹ In this he was well justified. In 1934 the number of children in Voluntary schools was only half the number in the public schools, whereas in 1908 the numbers in each were nearly equal.

a Church atmosphere. At a meeting at Church House twenty-three bishops supported a resolution which was in effect hostile to the Bill and the Government decided not to go on with it.

Asquith was greatly disappointed. He had devoted himself personally to this last effort and had too sanguinely believed that a settlement was at last in sight. He had, he told the King, been "for weeks in active and continuous negotiations with the leaders of the Church and of Nonconformists, and so much had been conceded by both that there seemed to be a real prospect of an agreed settlement of this protracted and most injurious controversy." It can scarcely be said that regret for its failure was wide and deep among Liberals and Nonconformists. Not a few thought that the "right of entry" would extend the religious quarrel to the large number—probably in the future a large majority—of schools which were now free from it and be a permanent cause of friction in secular education.

A Scottish Education Bill escaped the general wreckage on this subject, and may be noted as having for the first time empowered school authorities to make attendance at continuation schools compulsory between the ages of 14 and 17. The Miners' Eight Hours Bill also got on to the Statute-book this session the House of Lords holding its hand in accordance with its general principle of not challenging organized labour. To the same session belongs the Port of London Bill, a useful administrative measure, fortunately non-controversial, in the framing of which Winston Churchill played an honourable part. But when it came to measures on which Liberals had specially set their hearts, the Lords were obdurate. They rejected the Scottish Land Bill on its submission a second time, and so mangled the Scottish Land Valuation Bill that the Government could do nothing but withdraw it.

5

The salvage from the wreck had not been unimportant, but when the session ended Asquith had to face the fact that practically everything to which his party attached importance was held up by the opposition of the peers. Home Rule was hopelessly blocked; every possible solution of the Education question had been tried and failed; Temperance reform was banned; the Lords were obdurate against

any advance on the land question in either England, Scotland or Ireland, which the Liberal party had advocated. Nothing remained for next year's programme which would not again bring the Government into collision with the peers. Worse still, there was no sign that the electorate resented this handling of Liberal legislation. The tide had gone back from the high-water mark of 1906: several seats had been lost at by-elections, and though Liberal speakers fulminated on platforms they seemed to make little impression on the non-political public. There was a serious set-back in trade and large numbers attributed the strikes or threatened strikes of the previous months to the Trade Disputes Bill of 1906, and blamed the Government accordingly. In December, 1908, the Unionist leaders were more than ever convinced that they had it in their power to place their own limits on Liberal legislation, and in a comparatively short time to discredit Ministers as an obstinate and quarrelsome body of men who insisted on wasting their time in a futile attack on the Constitution. There were not many Liberals at this moment who were prepared to say with any confidence that this forecast was unfounded.

If this was the outlook at home, foreign affairs were no less gloomy. In October, Asquith confided to Balfour that he had never known Europe nearer to war. What he meant must be told in another chapter.

CHAPTER XXIX
STORM IN EUROPE

1908

I

THOUGH it was little recognized as such at the time, 1908 is marked in retrospect as another of the decisive years in the history of pre-war Europe. It brought to an acute stage the rising conflict on sea-power between Germany and Great Britain; it saw the opening of the final phase in the Near East which ended in the Great War. The two things seemed far apart to contemporary observers, but an intimate connexion between them is revealed in the German and Austrian documents.

In March, 1908, the Kaiser wrote a private letter to Lord Tweedmouth, then First Lord of the Admiralty, characterizing as "absolutely nonsensical and untrue" the idea that the German navy was meant as a challenge to the British, and denouncing as "unmitigated balderdash" an opinion rashly expressed by Lord Esher in a letter to the newspapers that "every German from the Emperor down to the last man wished for the downfall of Sir John Fisher," the British First Sea Lord and inventor of the Dreadnought. The Kaiser's letter greatly offended King Edward; it leaked into the newspapers and became the subject of heated debates in Parliament in which Lord Tweedmouth, who was in failing health, scarcely distinguished himself. In his "Memoirs" Prince Bülow adds that with his letter the Kaiser "childishly sent a whole set of false statistics which the English promptly recognized as such." A month after this incident another new Navy Bill, reducing the replacement period for battleships and increasing the annual German programme to four capital ships, was presented to the Reichstag and subsequently passed by it.

At the beginning of June, King Edward paid a visit to the Tsar at Reval, and the occasion was well advertised by the loud protests raised by Radicals on the Foreign Office vote in the House of Commons against this "fraternizing" with a potentate whose drastic dealings with his rebellious subjects were now so notorious. According to his biographer, the King spoke no word of politics to the Tsar, but he talked to Stolypin, his Prime Minister, who accompanied him; and Sir Charles Hardinge who was with the King had a long interview with Isvolsky, the Tsar's Foreign Secretary, who then for the first time made himself known as a man to be reckoned with. Enough of these conversations was repeated with the usual embellishments to cause anger in Berlin. The Kaiser was more than ever convinced that his uncle was plotting the "encirclement of Germany," and he claimed to have information that the Revolution of the Young Turks which took place soon after the Reval meeting had been planned by King and Tsar.

Being at Marienbad in the summer of 1908, King Edward arranged to spend a day with the Kaiser at Cronberg (Aug. 11), and, foreseeing the occasion, the Foreign Office had primed him with a memorandum covering foreign affairs, including the now explosive subject of the naval competition. The King wisely left the memorandum to be handled by Sir Charles Hardinge, who accompanied him, and if we may believe the Kaiser, Sir Charles's efforts had immediate explosive results. The Kaiser has left his own account of their interview :¹

HE (HARDINGE) : Can't you put a stop to your building ; or build fewer ships ?

I : Germany determines the proportion of her naval armaments according to her own interests and alliances ; it is defensive and is aimed at no nation, certainly not England. It is not a threat against you who are all just now scared of bogies.

HE : But an arrangement ought to be found for diminishing the construction. You must stop or build slower.

I : Then we shall fight, for it is a question of national honour and dignity.

Then I looked him straight in the eye ; Sir Charles became scarlet, made me a bow, begged pardon for his words and urged me expressly to forgive and

¹ "Fifty Years of Europe," p. 276.

forget and treat them as remarks inadvertently made in private conversation. . . . I resumed the conversation with him in the evening, when he was quite another man, pleasant, cheerful, telling anecdotes. . . . When after dinner, with the King's permission, I conferred on him the order of the Red Eagle, First Class, he was ready to eat out of my hand. He said his grandfather had been detached from Wellington's staff to serve under Blücher, and had lost his arm near Ligny, and for this Frederick William III had honoured him with the order of the Red Eagle. The insignia was kept in his house as a sacred possession. My frank words when I showed him my teeth had not failed in their effect. You must always treat an Englishman thus.¹

Hardinge has left a less dramatic account of the same occasion :

[The Kaiser said] he failed to see any reason for nervousness in England, or for any increase in the British fleet on account of the German naval programme. This programme was not a new one ; it had been passed by law ; and it had become a point of national honour that it should be completed. No discussion with a foreign Government could be tolerated ; such a proposal would be contrary to the national dignity, and would give rise to internal troubles, if the Government were to accept it. He would rather go to war than submit to such dictation.

I at once pointed out to the Emperor that, in suggesting a possible friendly discussion between the two Governments there had been no question of dictation, and that my words could hardly bear that interpretation, to which His Majesty assented.²

Whether we adopt Hardinge's plain or the Kaiser's coloured version of this occasion is of little consequence. In the next few weeks the Kaiser was shouting his account of it from the diplomatic housetops.

2

Within a week it had reached Vienna, where on August 19 Aehrenthal, the Austro-Hungarian Foreign Secretary, was presiding over a Council of Austrian and Hungarian Ministers with the Chief of the General Staff in attendance. The question before them was whether they should annex Bosnia-Herzegovina and risk the formidable consequences in the Near East and Europe generally by breaking

¹ G.P., Vol. XXIV, Nos. 8225-6.

² Gooch and Temperley, Vol. VI, pp. 183-90.

the Treaty of Berlin and presenting the Powers with the accomplished fact. Almost the first question which Aehrenthal was asked by the other Ministers was whether he could rely on German support. To that he replied that they could be "absolutely sure of Germany, since she was now thrown back on Austria alone, especially after Kaiser William's rejection at Cronberg of King Edward's proposal to limit the legally established German naval programme."¹ So sure was he, in fact, that he did not think it even necessary to inform the Kaiser before announcing the annexation of the two provinces. The Kaiser had thus, without knowing it, placed German policy at the mercy of Austria by his refusal to make terms with Great Britain about the naval competition. This was more and more in the coming years to be the result of the British-German estrangement.

The affair of Bosnia-Herzegovina had an inner aspect which was unknown at the time to most of the other Governments, including the British. Russia and Austria had for many years past had an unwritten understanding that they might by mutual agreement obtain certain advantages in the Near East, of which the chief were the "opening of the Straits," i.e. Bosphorus and Dardanelles, to Russian warships and the annexation of the two provinces by Austria-Hungary. This had been contemplated in the Reichstadt and Skiemiwice agreements by which they had kept the peace between themselves and prevented other Powers from intruding on what they considered to be their preserves, while Russia was occupied in the Far East. Sometime during the summer of 1907 they appear to have decided that the time was ripe for action. The Turks were on the eve of Revolution, and there was no knowing what might happen if the "Young Turks" came into power and began asserting themselves in the Balkan Peninsula. They were likely to be obdurate about the Straits and not at all unlikely to raise claims to Bosnia-Herzegovina, so long as Austria merely occupied, without annexing, those provinces. This at least was the Austrian argument.

Having persuaded his Ministers, Aehrenthal proceeded on September 15 to meet Isvolsky, the Russian Foreign Minister, at Buchlau, the country house of Berchtold, who was then Austrian Ambassador in St. Petersburg. What passed between them was afterwards the subject

¹ Austrian Documents, I, p. 43.

of angry recriminations, but Isvolsky undoubtedly supposed himself to have arranged a joint operation by which Russia and Austria should achieve their objects simultaneously, Russia the opening of the Straits, and Austria the annexation of the two provinces. In this belief Isvolsky started on a tour round the European capitals to obtain the consent of the various Governments to the joint plan.

He went first to Rome where Tittoni, the Italian Foreign Minister, appears to have referred him to Paris and London. On reaching Paris on October 3 he received a telegram from Achrenthal briefly announcing that circumstances compelled him to proceed at once to the annexation of Bosnia-Herzegovina. Two days later (Oct. 5) Prince Ferdinand of Bulgaria proclaimed the independence of that country and his own promotion from Prince to Tsar—a move which had undoubtedly been concerted with Austria and which served to give her the desired appearance of having her hands forced to the annexation of the provinces, which was announced on the following day. Isvolsky was thus left hung up with his part of the scheme which had now become all but hopeless. The other Powers might have consented to the "opening of the Straits" for the sake of a settlement between Austria and Russia, but they were very unlikely to do so merely to get Isvolsky out of a scrape into which he had got himself in an intrigue behind their backs with Achrenthal.¹

The moment, moreover, was in one respect extremely inopportune. By their revolution the Turks had at last ended the blood-stained tyranny of Abdul Hamid, and high hopes were being built on the prospect of a reformed Turkey under the new régime. Members of the new Turkish Parliament had visited London and been warmly welcomed and fêted. For the first time in living memory British Liberals had taken Turks to their hearts. The Austrian stroke had been a heavy blow to the Turkish reformers, and to add to it the further mortification of compelling them to open the Straits to Russian warships, which meant to all intents and purposes making Russia the dominant power in Constantinople, seemed from the new point of view adding insult to injury. Grey from the beginning took the strongest objection to compensating Russia in this way.

¹ For further details of these transactions see the author's "Fifty Years of Europe," Ch. XXX. .

3

The effect in Europe of the Austrian coup was out of all proportion to its practical results in the two provinces. Achrenthal argued that nothing was altered. Austria was already in occupation and all she did was to turn her *de facto* into a *de jure* position. But men felt everywhere that the foundations were slipping when the Treaty of Berlin could be torn up without even the formality of a reference to the other signatory Powers. The suzerainty of the Sultan which the Austrians had abolished might be a pale shadow, but it symbolized something which was of real importance to the peace of the world. The fiction that the Turk still ruled and that the Powers were pledged to respect the "integrity and independence" of his Empire had for a generation kept at a distance the struggle which all foresaw when the dissolution of that Empire became an acknowledged fact. It was certain that from that moment all the expectant heirs would be on the move lest they should be left behind in the race to be in at the death.

More precisely, the annexation ended the truce in the Near East which had been kept between Austria and Russia since their Reichstadt agreement, and left Russia in a position in which to be even with Austria became almost a necessity for the Tsar, if he was to keep his position or maintain his claim to be leader of the Slavs. It also set Serbia on fire and, if Serbia, then in due course all the Balkan States. Equally it aroused the latent ambitions of Italy and enraged the German Kaiser, who saw the whole of his carefully built-up policy of friendship with Turkey threatened by the stroke of his ally. Bülow has left a vivid account of his tumultuous feelings when he learnt for the first time from his morning paper what had happened.¹ "He, the Emperor William, the faithful ally of his Imperial, Royal and Apostolic Majesty, had been left to learn of it first from the newspapers." It added to his wrath that Prince Ferdinand had dared to arrogate to himself the title of "Majesty" without consulting him. Bulgaria was now "nothing but the advance guard of Russia. In a perfect torrent of words the Kaiser proposed a complete change of German foreign policy," Austria to be brought to heel and instant

¹ Bülow, "Memoirs 1903-9," English Trans., pp. 331-2.

demands made for the withdrawal of the edict of annexation and the retirement of Achrenthal. Bülow, according to his own account, poured a stream of cold water on these emotions and after an hour and a half succeeded in "completely converting the Kaiser" to the view that Austria must on no account be denied German support. His argument was the simple one that in the situation in which she was placed, Germany had no friend but Austria and that she would be completely isolated if in a fit of temper she quarrelled with her.

For some days there were all manner of alarms—that Turkey would march on Bulgaria, that the Serbians would break out, attack Austria and compel Russia to come to their support, that an insurrection was pending in Albania which would bring Italy on to the scene. Isvolsky being abroad, there was great embarrassment in St. Petersburg. No one knew how far he had committed himself in his conversations with Achrenthal, and his deputy in St. Petersburg gave confused and non-committal answers to the inquiries of the British Ambassador. Everyone was now looking to Great Britain and Sir Edward Grey, who was clear only on one point. He would not recognize the action of any Power, whether Austria or Bulgaria, which tore up a treaty without the consent of the other signatories. His inbred sense of legality carried him thus far, and he begged all the Governments to remember that if one did it, all could do it, and chaos and old night would descend on Europe. This was his main contention, but sharing the general sympathy which Liberal Englishmen felt at this time for the Young Turks, he set himself from the beginning to procure some compensation for the wounded feelings and loss of prestige which Austria had inflicted on them at the outset of their career.

To Turkey, Bulgaria and Serbia his advice was the same—to restrain their feelings and leave themselves in the hands of the Powers. It was good advice except that the Powers themselves were at their wits' ends to know what to do. The opinion of the majority was that the most convenient way out of the impasse was for Great Britain to appease Russia by consenting to the opening of the Straits. This would restore the supposed Buchlau settlement and enable the Tsar to assure his people that he had obtained sufficient compensation.

Isvolsky had now reached London and the other Governments reserved their opinion while he approached the British Government.

4

Grey and Asquith were obdurate about the Straits. They put a simple question to Isvolsky. Did he, in asking for the "opening of the Straits," mean that they should be opened both ways, for the warships of other nations to go into the Black Sea as well as for Russian warships to come out of it into the Mediterranean? Or did he mean merely that Russian warships should have the privilege of coming out and no others be permitted to go in? Isvolsky beyond doubt meant only the second of these things and the question reduced him to great confusion. Since he was unable or unwilling to answer it, the negotiations fell through and he departed from London in worse plight than ever. Grey and Asquith were not dissatisfied to see it end so. So great a departure from traditional British policy as the "opening of the Straits" would have been difficult to justify to the public, and Grey was more than ever determined not to be the means of inflicting another blow on the Young Turks merely to get Isvolsky out of his scrape. He told him that if Russia came to a friendly agreement with Turkey we should not be able to block it, and with that Isvolsky had to be content. No more was heard about the question of the Straits.

Isvolsky now fell back on the proposal of a Conference to regularize the situation, which meant to save Russia's face. Grey had been for this from the beginning, provided there was a preliminary agreement about the subjects to be discussed, and Clemenceau, the French Prime Minister, thought it the best way out. But for a great Power to consent to a Conference on a question which it had settled for itself was held by long tradition to be a serious reverse, and in the affair of France and Morocco the Germans had been at great pains to make it seem so. Austria was determined not to be called to the bar of any Conference, and Germany, after her first ill-humour, was in no mind to compel her. By this time the question had become greatly complicated by the attitude of Serbia, which was gesticulating wildly and, failing instant compensation, threatening to start a war in the confident belief that Russia would be bound to support her.

These were the circumstances in which Asquith told Balfour that he had never known Europe nearer war. The crisis dragged on all through the winter and until near the end of March the following year. By hard bargaining Grey obtained a pecuniary compensation for the Turks, and Austria offered to evacuate the Sanjak of Novi-Bazar as a sop to Russia. But Austrian and Russian troops stood facing each other across their frontiers, while Isvolsky and Achrenthal engaged in a wordy duel in which the latter said loudly that the former was no gentleman. But by this time Isvolsky had discovered that if Russia pushed her protest to the point of war she would have to fight alone. France thought the whole business tiresome and dangerous and wished it wound up as quickly as possible; Germany, having made her choice, stood aggressively behind Austria; Great Britain, though strong on the point of legality, had no thought of engaging in a great war to enforce it. On March 22 Germany presented what was in effect an ultimatum to the Tsar. Bülow instructed the Ambassador in St. Petersburg to inform the Russian Government that Germany was ready to advise Austria to seek the formal consent of the Powers to the annexation of Bosnia-Herzegovina, provided Russia would signify her consent to the latest Austrian Note (requiring her among other things to refrain from supporting Serbia) and would agree unconditionally to the necessary change in the Treaty of Berlin. The answer was to be yes or no, any argument or qualification to count as "no."¹ "No" meant that Austria would attack Serbia and that, if Russia came to her rescue, Germany would join in. Under this extreme pressure Isvolsky collapsed, and before the day was out the Tsar telegraphed to the Kaiser that he "rejoiced that Germany had discovered this possibility of a friendly settlement and would instruct Isvolsky to accept it." At the same time he "earnestly requested the Kaiser to prevent a warlike attack upon Serbia in any circumstances."

The plain fact was that Russia, single-handed, was quite unready for war, as her opponents knew. Her internal conditions were greatly disturbed, and she had had barely time to take breath after her disaster at the hands of Japan. But she had mounted a very high horse on the Bosnian affair and her descent was painful and mortifying.

¹ G.P., XXVI (1), Dispatch from Bülow to German Ambassador in St. Petersburg.

The Bosnia-Herzegovina crisis had been called a "rehearsal for the Great War," and it was so in the sense that none of the Powers that participated in it could from this time onwards afford a "repetition" of the same scenes without passing from stageland to reality. In Russia it was the view of all patriotic persons that the Tsar could never again make a similar submission without forfeiting his throne.

5

"Voices," wrote the British Ambassador from St. Petersburg, "are being raised whether the Ally and friend of Russia"—France the Ally and Britain the friend—"have proved sufficiently strong supporters in the hour of need." That question was being asked all over Europe, which judged that the Franco-Russian-British Entente had suffered only less seriously than Russia herself. Both Russia and Britain had stood by France when the dual Entente was being tested at Algiers; neither France nor Britain had stood by Russia in the test of Bosnia-Herzegovina. The German Kaiser had by this time completely forgotten his previous emotions, and was at great pains to proclaim his part in the affair. Bülow in his "Memoirs" stigmatizes as a lie spread by Isvolsky the statement that "Germany had brought Russia to heel by threats, by a thrust of the mailed fist." But this was precisely what the Kaiser himself said in a speech at Vienna in the following year, when he stated that if the peace had been kept, it was because he, William II, had stood shoulder to shoulder with Austria-Hungary and "confronted the world in shining armour." This boast is said to have greatly annoyed the Emperor Francis Joseph, who wished to have the sole credit for the exploit, but no one doubted that it was well-founded. Without German support Austria-Hungary could not have carried her point.

The records show the Entente Powers in a state of great confusion during these months. Clemenceau cared for nothing except to find a way out which would not involve France, and was careful not to offend Austria. As the affair developed, he was in a state of rising irritation because Grey would neither appease Russia by consenting to the opening of the Straits nor abate his stubborn stand in the cause of legality. It was one of Clemenceau's fixed ideas that Britain with her small army and limited liabilities had no right to take any

high or independent line in European policy, and least of all a line which might bring down upon France the wrath of Germany without any assurance of British support. Britain, he kept saying, should either keep to her insular affairs or provide herself, like other Continental Powers, with a conscript army. As things stood she might "make a nice hole in the water" by sinking the German fleet and leave France to be destroyed by the German army.

Clemenceau talked severely to King Edward in this strain at Marienbad in the summer of 1908, and so continued to talk during the coming months as the Bosnian crisis went forward. This reported to Berlin and Vienna, with embellishments *en route*, was no doubt the origin of the legend which is seriously repeated in the Austrian Documents that Grey was endeavouring to manoeuvre the other nations into a war in which Great Britain would look on while they exhausted themselves.¹ This fantastic story hardly needed Grey's denial. All the records show him trying seriously to quench the warlike ardours of all the parties, and bring the dispute to the Conference table. But the mere fact that it should have been alleged throws its own light on the European judgment of British policy in these years. Most of the other Governments found it impossible to believe that Grey was honest in professing to be concerned about the far-fetched metaphysical abstraction which he called "the law of Europe." Achrenthal confided to Tittoni, the Italian Foreign Minister, that he found it "totally unintelligible" and both shared Clemenceau's irritation at the high—and as they believed the hypocritical—line taken in London. Russia cared little for law, and would gladly have seen the Treaty of Berlin torn up if she could have obtained her share of the proceeds; and to be blocked in her main object and left without practical support, while her British friend debated the point of law, was by no means what she expected.

Grey undoubtedly saw farther ahead than his European colleagues, and his prognostication of what would follow if the evil example set in October, 1908, remained unrebuked was much more than justified in the sequel. Not for the first time, or the last, the moralist and sentimentalist formed a truer judgment of the material facts than the cynics and realists. But the affair revealed all the weaknesses of

¹ Austrian Documents I, pp. 410-20, p. 603.

the British position *vis-à-vis* the Continental Powers. In the general judgment of these Powers British diplomacy had confused a simple issue. In their view verbal protests against wrong-doing, or what might be counted such according to the standards of domestic morality, were of no importance. What England would do, not what she said or felt, was what counted. "Either—or" was the formula applied to her. Either she must keep her feelings to herself, or be prepared to give effect to them in action. Either, said the French, she should have cleared up the situation at the beginning by letting the Russians have what they wanted, or retired from the scene and left them to make the best terms they could with Austria and Germany. To keep on talking about the outrage to law and to suppose that Europe would accept judgment on that subject on a mere *Bos locutus est* was the kind of *naïveté* which Bismarck and Bülow had long ago remarked in British statesmen.

Grey on this occasion had the unanimous support of his colleagues and together they persisted to the last in refusing recognition of the breach of treaty. They seem to have been unaware of the commotion their attitude was causing in Europe, and apparently it did not cross their minds that a war between Austria and Russia on a purely Balkan issue might involve them. But the affair in fact was the final blow to any lingering belief there might have been that Great Britain could play a decisive part in European affairs without risking her own peace. She could have made good her protest only if she was prepared to support Russia in arms against Austria and Germany. She was not prepared, and she had to accept what to all intents and purposes was defeat.

Clemenceau was unsparing of the moral, as those who saw him at the time have cause to remember. England, playing a lone hand and running ahead of her friends in Europe was, he kept saying, too dangerous a partner for France. Much was heard in after years of the entanglement of Great Britain in the French Entente, but at this time there was a school of French politicians which was equally afraid of a French entanglement in a British quarrel with Germany or Austria. The action of the British Government in the Bosnian crisis deepened their anxiety, and what exactly this Government would do next time was more than ever a subject of speculation.

CHAPTER XXX

THE NAVAL AGITATION

1908-9

I

BOSNIA-HERZEGOVINA was by no means the only trouble in Europe in the year 1908. In November a short but acute crisis flared up between France and Germany about the harbouring of German deserters from the French Foreign Legion by the German Consul at Casablanca. Once more swords rattled and there was a smell of powder in the air. But the French at this moment were supporting Austria to the utmost limit that their alliance with Russia permitted, and the Austrians repaid these services by intervening on their behalf with the Germans. The Emperor Francis Joseph, who had no wish to see his enterprise in the Balkans overlaid by any other dispute, is supposed to have used his personal influence with the German Kaiser, who happened to be visiting him at Ischl, for a settlement with the French. Under these influences the storm subsided as quickly as it had risen, but it was a reminder that Morocco was still a danger-point.

To the same period belongs the strangest indiscretion among many committed by the German Kaiser. That was the publication on October 29 of the interview in the *Daily Telegraph* in which he poured out his grievances and complained of the ingratitude with which the English had requited his efforts to keep the peace between them and his own subjects. It has been said of this interview that if some ingenious person had set himself to pack into a few thousand words all the things most calculated to set Germans and English by the ears, he could hardly have done better. The Kaiser said he took as "a personal insult" the "distortions and misrepresentations" by the

English press of his "repeated offers of friendship to England," and added that his own position was the more difficult because only a minority of his countrymen—though it was true an influential minority—shared his feelings. This was followed by what Prince Bülow in his "Memoirs"¹ afterwards characterized as the "three enormities." First he claimed to have rejected the request of France and Russia to join them in saving the Boer Republics at the time of the South African war; next he asserted that in the darkest days of that war he had worked out with one of his officers a plan of campaign for England which would be found "among the State papers at Windsor Castle awaiting the serenely impartial verdict of history"—a plan which "as a matter of curious coincidence" was on the same lines as that adopted and successfully carried out by Lord Roberts; and finally he declared that Germany was not building her fleet against England but to be ready for eventualities in the Far East—an assertion which everybody knew to be untrue, and which was in any case an awkward thing to say, since Japan, against whom alone a fleet could be built for operations in the Far East, was the Ally of Great Britain.²

The English gasped, but after a few weeks forgot all about it. By this time they had come to think the Kaiser not quite sane and made large allowances for his eccentricities. It afterwards came out that he had given another interview about the same time to an American journalist in which he had warned Americans against English trickery and hostility, and advised them to look to Germany for support against perfidious Albion, whose staunch friend he had professed to be in the *Telegraph* interview. This was intercepted and suppressed in the nick of time, but the one interview sufficed to set the waters in a roar in Germany. The Kaiser's subjects were equally incensed at the picture of them which he had presented to the British public, and at his claim to have assisted in conquering the Boers, with whom they had a lively sympathy. During the next fortnight, Bülow was again threatening to resign and the Kaiser to abdicate; and in a heated debate in the Reichstag the Kaiser had to submit to an ironic defence by his Chancellor which greatly wounded his pride, and caused the

¹ Bülow, "Memoirs, 1903-9," Chs. XXII-XXIV.

² "Fifty Years of Europe," pp. 316-18.

estrangement between the two men which led in the following year to Bülow's downfall.

Bülow has left an elaborate account of this affair which at the best convicts him of incredible carelessness, and at the worst lays him open to graver suspicions.¹ The incident has more than a personal importance both in its consequences and in the light which it throws on the methods by which German foreign relations were conducted in these years. There were, as Grey used to say, three German Foreign Offices with which other Governments had to reckon in these years. There was the Kaiser claiming to be the supreme authority: there was the Chancellor pursuing a course of his own, and there was the Foreign Secretary who was often unaware of what the others were doing or how far his own powers extended. The Kaiser interview appears to have slipped between the three, and got into print as the result of Bülow's effort to throw back on the Foreign Secretary the invidious task of correcting the *All-highest*. The interplay of these authorities will become more and more apparent as we come to the last stages of German diplomacy.

2

The inner history of the Bosnia-Herzegovina crisis was almost unknown to the general public, but for those who knew it afforded an uneasy background to the controversy about the naval estimates which was going forward in England during these months.

¹ According to the account given afterwards by Bülow's private secretary, the manuscript of the interview was brought to Bülow at his country house by the Kaiser's equerry with "a direct order from the Sovereign not to let it pass out of his hands and on no account to forward it to the German Foreign Office in Berlin." Bülow nevertheless directed Müller to dispatch it forthwith to the Foreign Office without instructing him to read it or report on it. When it returned from Berlin, a reply to the Kaiser was dictated to Müller by Bülow, who signed the fair copy himself. Bülow's explanation was that he was very busy and that the manuscript was badly written (it was neatly typewritten with the Kaiser's notes in the margin) and that since the Foreign Office had passed it, he let it go forward without reading it. Apparently it did not occur to him that there was anything unusual in the Kaiser being interviewed by a newspaper, or that any importance attached to the Kaiser's instructions.

As a gesture to show its pacific intentions, the Government of Campbell-Bannerman had actually reduced naval expenditure in its first year and only slightly increased it in its second year. In 1908 the Asquith Government had added £2,000,000 after a sharp struggle with the First Lord of the Admiralty, who had wanted much more, but had pledged itself to a considerably increased programme in the following year if it proved necessary to meet the German challenge. The course of events in 1908 left little doubt on that point. In April, as already related, the Germans introduced a new Naval Law increasing their annual programme to four capital ships, and in August at the Cronberg interview with Hardinge, the Kaiser gave his point-blank refusal to consider the possibility of reduction. Asquith now considered it imperative to propose a large increase for 1909, and McKenna, the First Lord of the Admiralty, held the minimum to be four capital ships of Dreadnoughts to be laid down immediately, and two more at the beginning of 1910 if the situation required it.

The pacifists of the Cabinet, led by Lloyd George and Winston Churchill, insisted that four were enough and hotly challenged the Admiralty's estimate of German construction. This led to a Cabinet crisis in which McKenna all but resigned; and angry debates, accompanied by an excited agitation outside, followed when the estimates were presented to the House of Commons. The affair ran a curious course. The Unionist Opposition attacked the programme as too little rather than too much and demanded that eight capital ships should be laid down during the year, while Radicals and pacifists held to their view that four should be the limit. In an effort to compose these views Asquith proposed that four should be laid down immediately, and, if the Government were advised that the situation was urgent, that not two but four more should be laid down at the beginning of April, 1910. "We want eight and we won't wait" now became the slogan of the hour in patriotic circles, and under this pressure the Government accepted eight as the programme for the year, reserving their own discretion as to the dates on which they should be laid down. As Churchill puts it, "a curious and characteristic solution was reached. The Admiralty had demanded six ships; the economists offered four, and we finally compromised on eight."

Five years later nearly all Englishmen were thankful that it ended so. In the test of war the British margin was none too great, and if it had not been increased by the commandeering of certain ships under construction for foreign Governments, it might have been uncomfortably narrow. But the manner in which this result was reached was from all political points of view disastrous. The Government could only justify its large demand to a House of Commons predominantly Radical and pacifist by painting in lively colours the menace of the German fleet, and instituting precise comparisons between the British and German fleets. But the repetition day after day of arguments on these lines was bound to hammer into the public mind the idea that Germany was the enemy, and that the possibility of war with her was a risk which needed to be insured at heavy cost. Ministers might put in polite phrases, and explain that it was only a technical necessity which compelled them to treat Germany as the potential enemy, but the facts spoke, and they kindled fears and emotions which made it the more probable that she would at no distant day be the actual enemy. "Hold your tongue when you have to show your teeth," was the wise advice which Asquith gave to his colleagues and to the excited press, but it was a counsel of perfection in the state of feeling at this time.

3

There remained a hope that the agitation in England would bring home to the Germans that, though their right to build any fleet they chose was beyond question, the exercise of it was bound to inflame their relations with Great Britain. Metternich, the German Ambassador in London, had enlarged on this theme with remarkable insight and courage in his dispatches to his Government. He had told them that professions of friendly and disclaimers of hostile intentions were of no use in face of the fact, obvious to the English, that a given fleet might be used for any purpose and by any turn of the wheel for a hostile purpose. He had reminded them of elementary facts deep in the minds of Englishmen, but apparently beyond the comprehension of the Kaiser and his advisers—that the British Empire depended on the British command of the sea, that without it Great Britain would be exposed to invasion and her people to starvation,

that any challenge to the British navy was bound to create suspicion and alarm which would be fatal to good politics. All this, so far, had fallen on deaf ears. The Kaiser would not or could not understand; he was confident, as he said after the Cronberg interview, that he had discovered "the right way to treat an Englishman." The Ambassador was to be informed that it was not his business to "agree even in an unofficial and private capacity to the impertinent suggestion of the British Ministers to make their good-will depend on the diminution of our strength at sea." To that the "reply would be shells." Metternich must understand that "I do not desire good relations with England at the sacrifice of the German fleet."¹

This mood had persisted all through the year 1908 and found shriller and shriller expression in the early months of 1909. But the noise of the agitation in England appears to have made some impression on the Kaiser, for in June of this year he consented to the holding of a Conference in Berlin at which the possibility of an understanding with Britain might at least be considered. Bülow, the Chancellor, presided; Metternich came from London, and among others present were von Bethunann Hollweg, the future Chancellor, then State Secretary for Home Affairs; Admiral von Tirpitz, the head of the Naval Department, General von Moltke, Chief of the Imperial General Staff; Vice-Admiral von Müller, Chief of the Naval Cabinet; and Freiherr von Schön, Secretary for Foreign Affairs. The account of this Conference given in the twenty-eighth volume of the German documents is among the most poignant and ironic of pre-war records.²

Two views were in debate: the view of the Kaiser—vehemently supported by Tirpitz—"this is the way to treat an Englishman"—and the view earnestly argued by Metternich and rather belatedly supported by Bülow, that this way of treating the Englishman would in the end make him a dangerous enemy. Metternich glanced back over British-German relations and contrasted the present estrangement with the generally favourable attitude to Germany and the Triple Alliance which had been the traditional British policy until recent years. He pointed out that this had survived the Kruger telegram and the Boer war, and had only been seriously threatened by German

¹ G.P., XXIV, No. 8217 (Kaiser's annotation).

² G.P., XXVIII, No. 10306.

naval policy which "had brought Englishmen to a strong and ever-increasing conviction that the German fleet meant a threat to their country for which absolute security and supremacy in sea-power was a matter of life and death." It was not German competition in trade, inconvenient as this might be to the British, but German naval policy pure and simple which had produced this profound disagreement.

Tirpitz was convinced that he knew the English a great deal better than Metternich. He knew that trade jealousy was the cause of the mischief, and was quite sure that England would become more civil as the German fleet became stronger. He would make no advance until England herself came forward with definite proposals, and then only for "ample military reciprocity."

There followed a sharp passage of arms between Metternich and Tirpitz, in which the former complained that he had been instructed to tell the English that there was no intention to exceed the existing programme, whereas he had learnt, since he came to Berlin, that a supplementary programme for the year 1911 and 1912 was actually in preparation. To this Tirpitz could only say that "it must have been generally known, and therefore to the English also" (in spite of assurances to the contrary) that the year 1911 would be a critical one in which a new law was to be expected.

Moltke, the Chief of the General Staff, then had his say and expressed the opinion that Germany had no chance of carrying a war with England to a successful conclusion. He therefore thought it worth while to try for an honourable understanding on the basis of slowing down construction.

Then finally Bülow returned to the point. The only one black cloud at present was that which brooded over the North Sea, but that was heavy with thunder. The word passed to the Admiral : ¹

ADMIRAL VON TIRPITZ : In my opinion the danger-zone in our relations with England will be passed in from five to six years, say in 1915, after the widening of the Kaiser Wilhelm Canal and the completion of the fortifications of Heligoland. Even in two years the danger will be considerably less.

THE CHANCELLOR (PRINCE BÜLOW) : That is all very fine, but the question is still, how are we to get over the dangers of that period ?

¹ "Fifty Years of Europe," p. 336.

4

We are here at the parting of the ways, and it may be worth while to pause for a moment to consider the points of view of the great antagonists, and the character and principles of the men who represented them in the struggle that was now to go forward to its issue.

In the middle of the war, at a moment when he thought Germany was winning, Bülow produced an edition of his book, "Imperial Germany," in which he claimed special credit for himself for having steered Germany safely through the "danger-zone," by which he meant that he had postponed a collision with Great Britain until Germany was strong enough to meet her at sea. It was, as the event proved, a disastrous illusion. There could in fact be no end to the danger-zone, for as Germany built warships, so England built with a growing determination that her margin of safety should not be reduced. In the last years it was doubtful whether relatively to the German—the only thing that mattered in this competition—the British fleet was not a little stronger than in 1909, the year of the Council in Berlin. But the doctrine of the relativity of armaments was as yet undiscovered by Tirpitz and the German Navy League. They had fallen into the habit, which still survives in the Admiralties of the world, of reckoning all new ships as a net addition to their strength, regardless of the ships which their competitors and possible enemies might be constructing to meet them.

To this illusion about the danger-zone the Germans added a dangerous misunderstanding of the British character. If there was anything which was written large in English history, one would have supposed it to be that theirs was not "the way to treat an Englishman." History apart, the most superficial observation might have suggested that a certain obstinacy in resisting intimidation is as much a British characteristic as a belief in the efficacy of terrorism appears to be a German. Could not Tirpitz perceive, asks Grey, with a rather unusual exasperation, that this persistence in challenging the British fleet was more and more driving us into the arms of France? It was apparently the last thing that Tirpitz was capable of perceiving. His idea was the far different one that England, being at length taught to respect the power of Germany, would drop her friendship with France and

return to the German fold. This, whenever the two countries debated the naval question, proved to be what the Kaiser meant by "reciprocity."

The Germans intended no offence. To them it was mere common sense to abandon a political connexion if it stood in the way of another which might be more profitable to their country. Sentiment, as Bismarck had frequently reminded British Ministers, was out of place in international affairs. Grey, being no Bismarckian, shivered at the thought of what in his view was a frigid and calculating duplicity. He saw the situation in the simple terms in which friends think of such conduct in their dealings with one another, and recoiled instinctively whenever in one guise or another the Germans advanced the suggestion that their friendship might be bought by the abandonment of the Entente with France, or by leaving France to the tender mercies of Germany. In the relations in which he stood to the French he had only one word for all bargaining behind their backs with the Germans, and that the simple one—dishonourable.

Behind it all was the traditional English view which feared and mistrusted the dominance of any one Power in Europe, and saw in it an eventual menace to the British Empire, but this, in Grey's handling of it, was reinforced by a strong repugnance to the browbeating methods of German diplomacy, and an instinctive desire to protect those who were threatened by it. His critics, German and English, have scoffed at these manifestations of "the public school spirit" in the unsuitable arena of "real politics"; and to the Germans he was always too good to be true. A whole literature, which to those who knew him and watched him at work in these years is a tissue of absurdities, has been built up to prove him a hypocrite, a Machiavelli, and even a liar. English critics, on the other hand, while crediting him with honest and well-meaning intentions, have dwelt on the lack of enterprise and misplaced simplicity which, in their opinion, made him the easy victim of French intriguers and scheming officials. All these criticisms are worth noting as clues to his conduct of affairs, but the mere fact that he impressed so many observers in so many different ways—that to some he was the arch-schemer and to others a mere simpleton—may suggest that the reading of his character is not quite the easy task that most have assumed.

The question for the historian is whether Grey's simplicity, as most of his English critics admit it to be—his habit of moving on one line and holding to approved maxims of loyalty and candour—served his country well in the long run. Beyond question, if I may repeat what I have written in another context,¹ there were far cleverer men, as diplomatists count clever, at work on the European scene. Isvolsky was cleverer, Achrenthal was cleverer, Bülow far cleverer. Lloyd George—among his British critics—was so clever that he never could get near an understanding of Grey's qualities and character, and for many years later it was a profound and irritating mystery to him that his former colleague should have won praise and devotion from so many who were so evidently entitled to judge. But in the end the judgment comes back to the simple question, did Bülow, did Achrenthal, did Isvolsky, did any of them serve their countries better than Grey served his? A German writer reviewing one of the many books assailing Grey which were published after the war wound up by observing "after all he was rather a successful Foreign Secretary compared with ours." His countrymen will scarcely say less.

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Whatever may be the judgment, there could hardly have been a worse subject than Grey for Tirpitz's method of winning the respect of England. From now onwards we may see a stubborn duel developing between two ideas of statesmanship, the German idea that nothing but force and expediency counted, and Grey's idea which mingled sentiment with policy, and required any new departure to conform to engagements and pledges already undertaken. The Conference of Ministers in Berlin was followed by a period of fencing in which both sides displayed their qualities. Under pressure from his Ministers the Kaiser so far relented as to permit conversations on the naval question to go forward between the two Governments; and Bethmann Hollweg, who had now succeeded Bülow as Imperial Chancellor, seems honestly to have believed and hoped that a fresh start might be made. But as the exchange of views proceeded it

¹ "British Foreign Policy in the Reign of King George."

became evident that the Germans were aiming at something entirely outside the naval sphere, something which, however wrapped up in diplomatic phrase and formulas, meant substantially the defection of Britain from the Franco-Russian Entente. Here Grey stood. He saw in any naval agreement purchased on these terms a permit given by Great Britain to Germany to work her will on France and Russia, with the certain result that her ascendancy in Europe would be undisputed. He saw her, after the brief period for which she proposed the naval agreement, resuming her hostility to Great Britain, who by this time would have been weakened and discredited by the betrayal of her friends. This thought, with its mingling of policy and sentiment, was from now onwards to be the major premiss of Grey's diplomacy.

For the student of these years there is no more enlightening record than the chapters in the British and German documents dealing with the exchange of views during the months of August and September, 1909. On the British side, the whole argument as it was developing between the two countries will be found set out in the reports and dispatches from Gosehen, the British Ambassador in Berlin, Grey's dispatches to him, and the comments of the British Foreign Office officials, Hardinge, Eyre Crowe, and others.¹ Seeing some of these comments at the time, I thought them unduly suspicious and said so to Grey, but having since read the German documents of the same period, with their frank disclosures of the aims and animus of the men who controlled policy in Germany, I should hesitate to repeat that criticism. The officials, whose business it was to present an objective view of the forces and motives at work in foreign countries, seem at times to have had an almost uncanny faculty of divining what was going on in Berlin.

For the German documents leave no doubt that to detach Great Britain from France and Russia was the capital object of German diplomacy. Political agreement, said the Kaiser, was more important than naval and must be concluded first. Political agreement, said Grey, must be communicated to the French and include them. There would be "difficulty in accepting any formula which would give the impression of an understanding different in kind from that which

¹ Gooch and Temperley, Vol. VI, Ch. XLV; G.P., Vol. XXVIII.

exists between His Majesty's Government and any other European Power, and might therefore affect adversely the relations between His Majesty's Government and certain other Powers, unless these Powers could also be made parties to it." The mere fact, retorted the Kaiser, of England's adhesion to the Franco-Russian alliance was from the German point of view an unfriendly act at the very start. An entente with Germany would require "policy on parallel lines," especially for the "open door" which was popular in commercial circles, and "later on possibly for a guarantee of India in return for a guarantee of Alsace-Lorraine, and a promise to cover the German rear with naval assistance." In substance this meant that Great Britain should detach herself from France and Russia and join a German combination. Apart from Grey's punctilio on the point of straight-dealing with the French, the British Cabinet had no idea of launching into these deep waters when they suggested a naval agreement, and the discussion was adjourned until three years later when the Germans made their meaning still plainer.

To do him justice the Kaiser had a perfectly clear and consistent idea of how the peace of Europe should be kept. He desired a "constellation" of Powers revolving about a German centre and drawing the hostile and reluctant into its orbit. This was the aim of the abortive treaty concocted between him and the Tsar at their Bjorköe meeting, and it reappears as the leading motive in his negotiations with Great Britain. But the method proposed was not that of the free entry of equal partners into a League of Nations; it was that of cornering or compelling the reluctant by a transaction behind their backs. The French were not to know of the Bjorköe Treaty until it was concluded and beyond recall, nor to be parties to a British-German Entente until that too was an accomplished fact. It was a method which suggested only too plainly that the object in view was less the peace of the world than the breaking of partnerships to which Germany took exception. Lamsdorff, the Russian Foreign Minister, came to that conclusion in rejecting the Bjorköe Treaty in 1905, and Grey took the same view in the subsequent years.

statesman talked about his "duty to Europe," you might be sure he was up to mischief. Grey talking about the law of nations and the sanctity of treaties made the same impression on the practical politicians of Europe in the year 1908, and in the subsequent months and right to the end of the chapter he greatly annoyed the Germans by seeming to profess a higher standard of morality than theirs. They could have understood him if he had said that the bargains they proposed were not favourable enough to Great Britain and if he had demanded more, but when he spoke as if the code of honour forbade all bargaining they became impatient and called him a hypocrite.

Grey is only one of a long line of British statesmen who have suffered this judgment. It is fair to recognize that the characteristic blend of sentiment and realism which constituted British policy in these years has always been a stumbling-block to the European observer. The sentiment was genuine, as Englishmen know, but in a clear-sighted pursuit of her own interests Great Britain seemed to her neighbours to be inferior to none of them. With a military force which was insignificant when compared with the least of theirs, she yet possessed and ruled nearly a quarter of the globe; she put in a claim to "command the seas" which none of them would have ventured to assert over the land; with her ubiquitous and intangible sea-power she had them all at her mercy, and could, if she so willed, veto their trade, seize their colonies, blockade and starve their peoples. It was bad enough in German eyes that the other nations should have to submit to this, but that she should give herself the air of being free from the German vice of militarism and profess a superior morality and sensitiveness to the point of honour was too much. In the post-war criticism of Grey by German writers one may perceive an irritated acknowledgment that his replies to their strokes were correct according to their own rules, accompanying an angry repudiation of his claim to have been actuated by better motives than they were.

Interpret it as we may, the British-German contention in these years was no mere "entanglement" or side issue of the European conflict. From the first Germany Navy Law to the last, through all the diplomacy of the subject and the voluminous literature to which it gave

rise we may trace the thought that British sea-power was the one permanent obstruction to German expansion and world-power, the one limiting condition to the assertion of the German will even on the continent of Europe. To wear this down and to place Britain in a position in which she would be unable to use her weapon for fear of losing it, was the avowed object of the first great Germany Navy Law of 1900, and seldom has an ultimate object been more openly advertised than in the famous "Risiko" paragraph of that law. It was, according to the German conception of world policy, an entirely legitimate object, but it was also a notification to Great Britain that unless she were prepared to fight for it, she would sooner or later have to surrender her unique position. From this time onward it became less and less probable that she would be able to remain neutral in any conflict in which Germany and her allies were bidding for supremacy in Europe.

CHAPTER XXXI

THE PEERS AND THE BUDGET

1909-10

I

THERE was only one event which gave universal satisfaction in the year 1909. This was the completion of the Union of South Africa by an Act of Parliament giving effect to a scheme elaborated by a Convention in that country, and accepted by the Parliaments of each of its four Provinces. A Senate and a House of Assembly were provided for the Union as a whole, and provincial Councils, to which powers were delegated, established in these four Provinces, the Cape, Transvaal, Orange Free State and Natal. The only point of controversy which arose in the British Parliament was the "colour bar," that is, the exclusion of natives from the new Constitution, about which the South Africans were unanimous. Asquith said frankly that he greatly regretted this, but was not prepared to jeopardize the whole scheme and plunge into a controversy with which South Africa in order to maintain his objection. An amendment moved from the Radical bench extending the franchise to natives was accordingly rejected, and the scheme accepted as it stood without a division. Generous tributes came from Conservatives, who four years ago had strongly objected to the granting of self-government to the Transvaal and Orange Free State.

Balfour described the measure as "the most wonderful issue out of all those divisions, battles and outbreaks, the devastation and horrors of war, the difficulties of peace." "I do not believe," he said, "the world shows anything like it in its whole history." It may be added here that General Botha, who became first Prime Minister of the Union, was four years later fighting for the British Empire, and took

into his own hands the task of dealing with the brief Dutch rebellion under Beyers and De Wet which followed his decision to take part in the war.

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In March, 1909, Lloyd George had perforce to accept defeat on the naval question and, as Chancellor of the Exchequer, to provide the money for the eight Dreadnoughts which came into the year's programme. This made large inroads into the surplus which had been accumulated by the frugal administration of his predecessor and earmarked by the Government for social reform. Lloyd George was determined that if the money had to be found for battleships, it should be found also for social reform; and it was not displeasing to him that the necessity of paying for the battleships should be brought home to those who had been loudest in calling for them. His quick wits and lively imagination leapt to the thought of a great Budget which should open up new sources of taxation and mark an epoch in British finance.

By the standard of later times the £14,000,000 which he was called upon to find may seem almost trivial. It was in fact no more than a modern Conservative Chancellor of the Exchequer gave away by the remission of the beer tax in 1933. But we must relate it to the standard of the time. In the year 1886 Randolph Churchill flung himself out of office in alarm at the spectre which he saw looming ahead of a £90,000,000 Budget, and his successor, Goschen, won great applause when he continued to keep his estimates just below that figure and was able to reduce the income-tax from 8*d.* to 7*d.* For the remainder of his period we see Goschen struggling valiantly to keep within the £90,000,000 mark, and only just exceeding it in his last year (1892-3), by which time the income-tax has been reduced to sixpence. A sixpenny income-tax and Budgets not exceeding £90,000,000 were up to this time the norm of both Liberal and Conservative finance.

When the Liberals came on the scene in 1892, the watchword was still economy, and that most frugal Chancellor of the Exchequer, Sir William Harcourt, fought desperately with his colleagues to abate their demands on the Treasury. But active reforming zeal in the administrative departments meant a rising expenditure which he could

not resist, and he had in addition to finance the Naval Defence Act of his predecessors, and to meet a demand for the further strengthening of the fleet which the majority of his colleagues approved. By prodigious efforts he managed in his last year to prevent his estimates (£99,162,000) from reaching the £100,000,000 mark, which the men of his generation regarded as the knell of doom, and after a struggle in the Cabinet on Naval Estimates he anticipated Lloyd George by imposing his new taxation, and especially his famous death-duties, with a frank determination that the rich and well-to-do, who were loudest in calling for more armaments, should be required to pay for them.

The Liberal Administration of 1892-3 thus made a beginning of "democratic finance." When it ended, the Gladstonian principle that "money should be left to fructify in the pocket of the taxpayer" had visibly weakened, and given place to the idea that taxation might legitimately be used to equalize the conditions between rich and poor and to institute social reform. Harcourt raised the income-tax from 6*d.* to 8*d.*, but gave remissions and abatements which eased the burden of the poorer taxpayers. From this time onwards the principle that the burden should be adjusted to the backs that bore them became generally acknowledged, and Chancellors of the Exchequer found themselves on the defensive to prove that the poor were not paying more in indirect than the rich in direct taxation. Ministers in their various departments began to produce "constructive" policies, all of which cost money, and many of them in an ascending scale. As these schemes multiplied, officials became more numerous, and a new kind of public service with every incentive to justify its existence and extend its operations succeeded to the old officials.

Though its reign was brief, the Liberal Administration of 1892-5 left an enduring mark on public finance. The Unionist Chancellor of the Exchequer, Sir Michael Hicks Beach, who succeeded Harcourt, found himself compelled to introduce the much-dreaded £100,000,000 Budget (1896-7) and during the next two years to increase this figure up to £107,000,000. Then followed the great jumps caused by the Boer war, bringing the total expenditure in the peak year (1901-2) to £184,000,000, and an income-tax rising by stages to a maximum

of 1s. 3d. in the pound in 1902-3. In the following year the income-tax was reduced to 11d., but rose again to 1s. in 1904-5. Under Austen Chamberlain (1903-5) the annual expenditure was gradually reduced to £142,000,000, at which point it stood when the Unionist party went out of office. By this time £250,000,000 had been added to the National Debt.

Asquith kept the expenditure at £142,000,000 for his first two years, and by winding up the local taxation accounts he so altered the form of the Budget statement that the increase to £154,000,000 shown in the next year was more nominal than real. But in 1908 by instituting Old Age Pensions he added an increasing liability, and by reducing the sugar duty sacrificed £3,400,000 of revenue. At the same time there was every sign of a sharp depression of trade, and the revenue from excise had fallen short of the estimates by £1,502,000 in the year 1908-9.

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This was the situation which Lloyd George had to meet in April, 1909, and it meant that if he was to provide for the new Dreadnoughts, finance Old Age Pensions, and build up revenue for the social insurance schemes that he had in mind, he must in one way or another add about 10 per cent. to the National revenue—a formidable task for a pre-war Chancellor of the Exchequer. Since it was forced upon him, he flung himself into it with characteristic zeal. All around him he saw promising hen-roosts tempting the spoiler; dukes with enormous rent-rolls, landlords growing fat on unearned increment, capitalists groaning under their wealth. This time there were to be no apologies in the approach to the required taxation. The Budget was to be a bold attack on the entrenchments of wealth and privilege in the interests of the poor and unprivileged.

There was much wrestling in the Cabinet over his proposals, and some of them were drastically amended before they were approved. Rumours of crises and resignations filtered into the lobbies, and not all of them were unfounded. Never did Ministers spend so many hours in Cabinet or in Committee over the details of a Budget, and it was not till the beginning of May that it was ready to be presented to the House of Commons. Lloyd George expounded it in a speech

lasting four and a half hours, delivered in two parts with an interval for repose between exordium and conclusion. The speaker ranged over all topics, present and to come : war and peace, and the naval competition, old age pensions, and the measure now being incubated for sickness and unemployment insurance, and drew a picture of what moderns call a "planned economy," in which "development grants" for afforestation and scientific research, and the image of a Road Board endowed with special funds to control motor traffic made a first appearance. It was all presented with great eloquence and earnestness, and some of it with a wealth of detail which taxed the patience of his audience, but the militant note was sounded in the final summary. "This," he said, "is a war budget ; it is for raising money to wage implacable war against poverty and squalidness." Radical newspapers roared applause and proclaimed Lloyd George as the herald of a new dawn.

The greater part of the new taxation proposed followed the beaten track. Of the total of £14,000,000 required £6,700,000 was to be found by increases of spirit and tobacco duties and by an increase of the liquor licence duties. Death-duties were increased to bring in an additional £4,000,000 with a maximum of 10 per cent. on estates of £200,000 and over. Income-tax was brought up on a graduated scale to 1s. for incomes between £2,000 and £3,000, and 1s. 2d. for incomes above £3,000, while remaining at 9d. for "earned" incomes up to £2,000. On incomes of less than £500 a special abatement was given for every child under 16.

There were the usual protests against high taxation and warnings of the ruin it threatened to industry, but assuming that the money had to be raised, there was not much in all this to justify a fight *à outrance*. Having just escaped the scorpions of Asquith's Licensing Bill, the liquor trade was not on favourable ground for an agitation against the whips of the new licence duties, and though the strong objection of the Irish to this part of the Budget was to have awkward consequences in the following year, it was of no great importance in a House in which the Liberal and Radical majority could easily vote them down. Nor were the Conservative party and their well-to-do supporters in a position to object over-much to an increase of the taxes which specially touched them at a moment when they were crying out for an even

larger expenditure than the Government proposed on the navy. The death-duties with the additions were less than 10 per cent. up to £200,000, and the income-tax could not be called punitive.

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If this had been all, the Lloyd George Budget would have passed like any other after protest and grumbling. But attached to it were certain new proposals which, though they added little to the revenue for immediate purposes, alarmed and angered the propertied classes. There was first of all the "supertax," at this stage only a modest sixpence falling on incomes of £5,000 for such part of them as were in excess of £3,000 per annum, but, to their excited vision, opening a wide door to penal taxation, and, together with the abatements and graduations of income-tax, establishing the principle that the rich and very rich were legitimate victims of democratic finance. It was not Lloyd George's idea; it was recommended by a Select Committee in 1906, but this too was supposed to have acted under Radical inspiration.

Bad as this seemed, even worse was the scheme of land taxes with the accompanying valuation which embodied the idea—for long an article of the Liberal and Radical faith—of appropriating the "unearned increment" for the State. There were four taxes in the land group: (1) a tax of 20 per cent. on increases in the site value accruing after April 30, 1909, payable whenever the property changed hands, whether by sale or death; (2) a 10 per cent. reversion duty on the benefit accruing to a lessor by the determination of a lease; (3) an annual tax of $\frac{1}{2}$ d. in the pound on the site value of "undeveloped" land, i.e. land destined for building but held up while its value ripened; and (4) an annual tax of 1s. in the pound on the rental value of the right to work minerals. The estimated yield of all combined for the coming year was an insignificant £600,000, but Lloyd George presented them in glowing terms as new sources of revenue of an "expansive character" which would cause them to "grow with the growing demands" of his social programme, and thus enable his successors to avoid the necessity of imposing fresh taxation.

It was precisely this "expansive character" which caused the trouble. Landlords and property-owners looking ahead, saw the State taking from them the whole of the increasing values of their urban and

semi-urban properties, which for large numbers had in recent years been the main source of their wealth. Liberals and Radicals replied that nothing could be fairer than that the State should take a modest fifth of values which were wholly the result of the growth and enterprise of the community, and which mounted up while their owners slept. Taxpayer and ratepayer paid for the roads, drainage and water-supplies which gave this land its value, and the landlord took all the profit. What could be more reasonable than to ask him to contribute? Asquith, who was no revolutionary, defended the increment duty as "consistent with natural justice, with economic principle and with sound policy."

But Conservatives and property-owners saw in it the detested doctrine of Henry George and were convinced that, if the valuation were once permitted to go forward, Radical financiers would go on from 20 per cent. to a 100 per cent. until the whole increment value had been appropriated by the State, and then the door would lie open to the undiluted doctrine of the "land restorers" and the confiscation of all land values. To resist the beginnings, and above all to stamp on valuation, had long been the fixed policy of the Conservative party. Only in the previous session the House of Lords had rejected a Scottish Land Valuation Bill, and to propose the same thing tacked on to a Budget with the deliberate object of circumventing the Second Chamber was said to be intolerable.

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The Finance Bill was in Committee for forty-two days, and the necessarily intricate machinery of valuation lent itself to prolonged criticism and obstruction. The Nationalists carried their dislike of the spirit taxes to the length of voting against the second reading but abstained on the third reading. The whole Liberal and Radical party stood solidly behind the Government through all stages and on November 4—after a delay without precedent in dealing with a Budget—the House of Commons passed the Bill by a majority of 379 to 149. But long before this stage was reached the chief debate had been transferred from the House of Commons to the country, and all through the summer and winter "Budget League" and "anti-Budget League" fought a wordy warfare in which the Lloyd

George taxes became flags and symbols of the poor man's cause against the privileges of the rich. Nothing had been heard like it since the autumn of 1885 when Joseph Chamberlain arraigned the "dukes" and the idle rich who "toil not neither do they spin" in his campaign for the "unauthorized programme" of that period. Chamberlain's tongue had a cutting edge, but Lloyd George altogether surpassed him in the glowing rhetoric and picturesque imagery which seasoned his invective in 1909. Limchouse, where he started his campaign, now shared with Billingsgate the honour of enriching the vocabulary of the English language.

Like his mother when Chamberlain was on the war-path on the previous occasion, King Edward watched uneasily from behind the scenes. He said flatly that Limchouse *was* Billingsgate, and that such language was very improper in the mouth of a Chancellor of the Exchequer. Asquith, who had expounded the Budget in a highly statesmanlike speech to business men at the Cannon Street Hotel, and presented it as a model of equity, wisdom and moderation, pleaded that allowance should be made for the more popular style of his Welsh colleague—to which the King's Secretary replied by begging him not to "pretend to the King" that he liked Mr. Lloyd George's speeches, for the King would not believe it and it only irritated him.

The King's irritation was by this time much more than a personal distaste. He saw looming ahead what he most wished to avoid, another collision between the Houses, and this time on a point on which the fight must be to the death. Up to the summer of 1909, the mere suggestion that the peers would reject a Budget had been scouted as fantastic. There was no precedent for such a thing for at least 250 years. From time immemorial the part of the Royal speech at the opening of Parliament dealing with money grants had been addressed to "Gentlemen of the House of Commons," and all parties had taken for granted that to them and to them alone belonged the control of the purse. But now with tempers rising and Lloyd George adding fuel to the flames there was actually talk of the peers doing this incredible thing and rejecting the entire Budget on its second reading. It was agreed ground that amendments in Committee would be disallowed as breaches of the Commons' privileges, but Unionists argued that the power of rejection still remained, and that though custom

and usage barred its use on ordinary occasions, so unprecedented an attack on property as now threatened would justify the peers in going all lengths.

Officially Asquith "declined to believe it" and kept on declining up to the last moment. The King, being well informed of what was going on in the Unionist camp, believed it and was greatly disturbed by the prospect. With Asquith's consent he summoned Lansdowne and Balfour to Buckingham Palace on October 12, 1909, and tried to dissuade them. They told him that "they had not yet decided what action the House of Lords should be advised to take." This no doubt was literally true, but nothing short of very firm and prompt action on their part could have stopped the movement which was driving them on the extreme course, and this neither of them was inclined to take. According to his biographer, Lansdowne told a colleague at the beginning of October that "upon the whole he was in favour of rejection," and Balfour, according to the same authority, had come even earlier to the conclusion that no compromise was possible.

What gave the final push down the steep place was that the "dukes" and property-owners had by this time been reinforced by the Tariff-reformers, who saw the ground being cut from under their feet if the new taxes produced the revenue which they had proposed to raise by a tariff. Many of them professed to be as much concerned about social reform as their opponents, but abundant money, in their view, could be found both for this and for the necessary expansion of the navy by duties on imports which would "tax the foreigner" instead of despoiling the rich. It was the combination of these forces which swept aside the opposition of the elder statesmen of the Unionist party, and decided the peers to go all lengths and in Milner's phrase "damn the consequences." Lord St. Aldwyn, the famous Sir Michael Hicks Beach of former days, and the most considerable of Conservative financiers, Lord Cromer, Lord James of Hereford, Lord Balfour of Burleigh, and many other highly respected seniors argued in vain against this decision and predicted that no good would come of it. Rosebery, who had assailed the Budget as the beginning of "the end of all things," recoiled at the last moment from the logic of his own denunciations and added his voice to others pleading for

caution and reconsideration. All this fell on deaf ears. It was now said that it would be ignominious for the peers to "surrender to Lloyd George," and when at length the Finance Bill reached them on the last day of November it was rejected on second reading by a majority of 350 to 75.

5

Temper and policy, as Burke said, go ill together. If there was any step taken by parties in these years which in the light of what followed must be pronounced a disastrous mistake, it was this act of the peers in November, 1909. Up to this point they had inflicted wounds on their opponents without visible signs of popular disapproval. The electorate seemed to be little moved by the destruction of Liberal Education Bills, Land Bills, Licensing Bills, and by all the signs the Liberal tide had ebbed considerably from the high-water mark of 1906. But so far the peers had been within their acknowledged rights, whereas in rejecting the Budget they seemed to an immense number suddenly to have stepped out of their ground and invaded territory which by immemorial custom and usage had been conceded to the House of Commons. Legal arguments there were to prove that they were within the law, but none of them could affect the plain fact that, if they were entitled to reject a Budget, they would hold the popular Chamber at their mercy and be able at any moment chosen by themselves to force a dissolution and end the existence of a Parliament which had incurred their disapproval. It was to say the least highly improbable that, when this issue was plainly put before them, a majority of the electors would grant such a power to a hereditary Chamber.

The Government replied to the rejection of the Budget by resolution in the Commons declaring "the action of the House of Lords in refusing to pass into law the financial provision made by this House for the service of the year" to be "a breach of the Constitution and a usurpation of the right of the Commons," and this having been passed immediately applied to the King for a dissolution of Parliament (Dec. 3, 1909). The elections began on January 14, and a fortnight later resulted in giving the Government a majority of 124 including the 84 Irish members. The struggle was tense but orderly, and in a series of speeches which still have their importance for students of

British institutions Asquith kept the debate on a high level of legal and constitutional argument.

There now opened a new and complicated phase of the struggle between parties, and the two Houses. The Government majority of 124 was ample and generous for all ordinary purposes, but it was not sufficient to make Ministers independent of the Irish, if the latter should vote against them. Redmond, the Irish leader, who was a shrewd politician, immediately saw his opportunity. He and his party had greatly disliked the spirit taxes in the Budget, and had gone to the length of voting against the Budget on the second reading, though they had abstained on the third reading. They were by this time in great difficulties with their own supporters, who had watched with suspicion the shelving of Home Rule in favour of the half-measure proposed in the previous Parliament. Redmond decided that his position would become impossible if he did not in some way use the advantage he now possessed to promote the Irish cause and appease the Irish liquor interest.

There was a further complication. In a speech at the Albert Hall before the election Asquith had said "we shall not assume office and we shall not hold office unless we can secure the safeguards which experience shows to be necessary for the legislative utility and honour of the party of progress." The words were vague and rhetorical and what he had in mind was probably no more than the opening of a new chapter of Liberal legislation while the House of Lords question remained unsettled. But finding him still in office after the election, many members of his party assumed that he had obtained from the King what were called "guarantees," i.e. a promise that peers would, if necessary, be created to overcome the resistance of the House of Lords not merely to the Budget but to Liberal legislation in general, including Home Rule. In a speech at Dublin on February 10 Redmond boldly adopted this assumption and told Asquith bluntly that, if he merely proposed to send the Budget back to the Lords with a request to them that they would be kind enough to pass it and then proceed as if nothing had happened, he would not receive Irish support.

The truth was that the Government had not looked beyond the Budget, which was trouble enough. In the interval between the dissolution and the election Asquith had been warned by King Edward

that he (the King) would not feel justified in creating peers for dealing with the House of Lords question until after a second general election directed specially to that question ; and from the beginning Asquith appears to have taken for granted that a second election would be necessary before the House of Lords could be dealt with. But Redmond's speech called for immediate notice, and when the new Parliament met Asquith took the first opportunity of making the situation clear :¹

I tell the House quite frankly that I have received no such guarantee, and that I have asked for no such guarantee. In my judgment it is the duty of responsible politicians in this country, as long as possible and as far as possible, to keep the name of the Sovereign and the prerogatives of the Crown outside the domain of party politics. If the occasion should arise, I should not hesitate to tender such advice to the Crown as in the circumstances the exigencies of the situation appear to warrant in the public interest. But to ask, in advance, for a blank authority, for the indefinite exercise of the Royal Prerogative, in regard to a measure which has never been submitted to, or approved by, the House of Commons, is a request which, in my judgment, no constitutional statesman can properly make, and it is a concession which the Sovereign cannot be expected to grant.

This was satisfactory to the King, who had read Redmond's speech with something like dismay, but it was disillusion and disappointment not only to the Irish but to a large number of Liberals and Radicals, who, on the strength of the one election, had seen themselves sweeping away the obstruction of the House of Lords and marching to victory all along the line.

6

The situation was now very near deadlock. The Opposition had landed themselves in the House of Lords in a dangerous predicament by the rejection of the Budget, and the Government, *vis-à-vis* the Irish and their own restive supporters, were scarcely in better plight. Irish and Radicals alike demanded that the Budget should not go back to the Lords unless preceded, or at least accompanied by, a clear statement of Government policy on the House of Lords question ; Redmond wanted the Budget altered and the spirit duties abated to please his Irish supporters. Asquith was clear upon one point, that there must be no bargaining with the Irish upon the Budget and that

¹ "Life of Lord Oxford and Asquith," Vol. I, p. 273.

if they chose to vote against it and end the life of the Government they must do so and the blood be upon their own heads. To that he held to the end, but the combined pressure of Irish and Radicals reinforced by a section of his own Cabinet rapidly drove him from his original idea of disposing of the Budget before opening the question of the House of Lords. Disturbed by his announcement that he had no "guarantees," a large number of malcontents wanted proof positive that he "meant business" with the House of Lords and would not merely, as Redmond had hinted, be content with the passing of the Budget and go on "ploughing the sands" as if nothing had happened.

Here the difficulty was the simple one that the Cabinet was not ready with any definite House of Lords policy. Since June 24, 1907, when Campbell-Bannerman had moved and carried his famous Suspensory Veto resolution, no one apparently had given it another thought. The King's Speech at the opening of the new Parliament had, it is true, spoken of proposals to "define the relations between the Houses of Parliament so as to secure the undivided authority of the House of Commons over finance and its predominance in legislation" which "with all convenient speed" were to be submitted to the House of Commons. But it was one thing to table a resolution or to write a phrase in a King's Speech and quite another to present a concrete proposal for immediate action. The speed with which the Cabinet was now required to do this was highly inconvenient. It raised vital and fundamental issues. Were they to confine themselves to limiting the powers of the House of Lords, or to change its character and composition? Veto and Reform or Veto alone? Reform raised extraordinarily difficult questions. A Liberal Government could not propose a purely hereditary and non-representative Second Chamber, but if it proposed an electoral Senate it ran the risk of setting up a rival authority to the House of Commons and renewing the contention between the two Chambers in another and perhaps worse form. The word "Senate" had an alluring sound, but there were as many views about the manner of electing it—proportional representation, property qualifications, period of elections, tenure of office, etc.—as there were advocates of the idea.

All this had to be fought out in the Cabinet in the five weeks between the last week of February and the end of March, and the Government

barely survived the process. There were advocates of veto who threatened to resign if reform were added, and advocates of reform who threatened to resign if veto alone were proposed. In the end the two parties compromised on the famous preamble of the Parliament Bill¹ committing "Reform" to a future generation, which has, so far, proved unequal to it. In the meantime the Budget was hung up² to the scandal of orthodox financiers, and Redmond, who was incessantly hammering at the Cabinet door, had to be kept at bay.

In the circumstances it is less surprising that there was trouble in the Cabinet than that it should have succeeded before the end of March in framing an agreed policy and presenting it in the form of Resolutions to the House of Commons. The policy was the Suspensory Veto, of which Campbell-Bannerman was the principal author, whereby a Bill was to become law without the consent of the House of Lords if passed in three successive sessions (spread over a minimum period of two years) by the House of Commons. The new Resolutions differed from the 1907 version in that they omitted the provision for a Conference between the two Houses and added a clause "disabling" the House of Lords from rejecting or amending a Money Bill, so certified by the Speaker. A heated debate followed in which Unionist speakers denounced these proposals as revolutionary and destructive, but they were carried by the full Government majority. The way was now clear for the reintroduction of the Budget, which was submitted again to the House of Commons on April 20. All through the debates on the House of Lords resolutions the intentions

¹ "Whereas it is intended to substitute for the House of Lords as it at present exists a Second Chamber constituted on a popular instead of hereditary basis, but such a substitution cannot immediately be brought into operation: And whereas provision will require hereafter to be made by Parliament in a measure effecting such substitution for limiting and defining the powers of the new Second Chamber, but it is expedient to make such provision as in this Act appears for restricting the existing powers of the House of Lords." ("Life of Lord Oxford and Asquith," Vol. I, p. 271).

² It was in these weeks that Asquith used the expression "wait and see" which was made a reproach to him in after years. Bombarded with questions about the intentions of the Government in regard to the Budget, he replied uniformly, "wait and see."

of the Irish remained obscure, and as late as April 13 Asquith thought it necessary to warn the King, who was still at Biarritz, that it was "possible and not improbable" that they would vote against the Budget and bring about the downfall of the Government. In the event this alarm proved groundless, and on April 27 the Budget passed its third reading in the House of Commons by a majority of ninety-three, sixty-two Irish voting with the Government. The next day it was accepted without a division by the House of Lords.

So ended the first round, and the Government came out of it a good deal damaged. The delay in passing the Budget, the evident perplexity of Ministers, the appearance of bargaining behind the scenes with the Irish and various sections of their own supporters had made a bad impression on the public. Asquith had shown remarkable skill in steering his Cabinet through the shoals, but his difficulties were of a kind which could not be avowed and onlookers saw only the delays and the embarrassments. By the end of April it was quite evident that the Cabinet was not in a position to carry their House of Lords policy without a second election. A Prime Minister, who on his own confession had been in serious doubt about his capacity to carry the Budget, could not reasonably go to the Sovereign and demand the creation of a large number of peers to enforce the will of a House whose disposition was so uncertain. Asquith in fact gave fair warning of what lay ahead in his final speech on the House of Lords resolution : ¹

If the Lords fail to accept our policy, or decline to consider it when it is formally presented to the House, we shall feel it our duty immediately to tender advice to the Crown as to the steps which will have to be taken if that policy is to receive statutory effect in this Parliament. What the precise terms of that advice will be, at will, of course, not be right for me to say now, but if we do not find ourselves in a position to ensure that statutory effect will be given to this policy in this Parliament, we shall then either resign our offices or recommend a dissolution of Parliament. And let me add this ; that in no case would we recommend dissolution except under such conditions as will secure that in the new Parliament the judgment of the people as expressed in the election will be carried into law (House of Commons, April 14, 1910).

In judging what followed it is important to bear this passage in mind. It meant—to those who had the sense to read between the

¹ "Life of Lord Oxford and Asquith," Vol. I, p. 279.

lines—that another election would certainly be necessary, but that before undertaking it the Government would seek “guarantees” from the Sovereign that if it gave a result favourable to the Government policy the Lords would be obliged to accept it.

7

At this point the course of events was broken by an event which came as a painful surprise to the country, and for the time being filled all thoughts. This was the death of King Edward, which took place at Buckingham Palace on May 6. Parliament had adjourned for a brief recess a week earlier, and Asquith had started on a cruise in the *Enchantress* with the First Lord of the Admiralty. He had turned the ship homewards on hearing of the King's illness, and learnt of his death on the return voyage. He has recorded his own reflections at this time :¹

I went up on deck, and I remember well that the first sight that met my eyes in the twilight before dawn was Halley's comet blazing in the sky. It was the only time, I believe, that any of us saw it during the voyage. I felt bewildered, and indeed stunned. At a most anxious moment in the fortunes of the State we had lost, without warning or preparation, the Sovereign whose ripe experience, trained sagacity, equitable judgment, and unvarying consideration, counted for so much. For two years I had been his Chief Minister, and I am thankful to remember that from first to last I never concealed anything from him. He soon got to know this, and in return he treated me with a gracious frankness which made our relationship in very trying and exacting times, one not always of complete agreement, but of unbroken confidence. It was this that lightened the load which I should otherwise have found almost intolerably oppressive: the prospect that in the near future I might find it my duty to give him advice which I knew would be in a high degree unpalatable.

Now he had gone. His successor, with all his fine and engaging qualities, was without political experience. We were nearing the verge of a crisis almost without example in our constitutional history. What was the right thing to do? This was the question which absorbed my thoughts as we made our way, with two fast escorting cruisers, through the Bay of Biscay, until we landed at Plymouth on the evening of Monday, May 9.

¹ “Life of Lord Oxford and Asquith,” Vol. I, pp. 281-2; “Fifty Years of Parliament,” pp. 86-8.

CHAPTER XXXII

THE PASSING OF KING EDWARD

1910

I

WHAT part did King Edward play and what were the characteristics of the so-called "Edwardian" period? It may be useful at this point to give a little consideration to these questions.

The right estimate of King Edward is a stumbling-block to foreigners and by no means easy to English historians. In the eyes of many foreigners the British Constitutional doctrine, which assigns a subordinate place to the Sovereign in the framing of policy, is a web of sophistry, probably intended to deceive and certainly deceptive. King Edward, the Germans insisted to the end, was the arch-conspirator, the author of the British-French Entente, the instigator of the Russian Convention, the "encircler of Germany," and Grey and other Ministers were his agents and tools. No one in the previous years had ever heard of "Queen Victoria's policy," but from 1904 onwards to his death all Europe spoke of "King Edward's policy." Few Englishmen spoke or thought thus. To the English the King and his Government were one, except that the Government and not the King was held responsible for policy. To question this theory and to attribute a particular policy to the King was, in their eyes, to reflect on popular government and incidentally to expose the Sovereign to the blasts of popular and Parliamentary criticism—a dangerous reversion to eighteenth-century practice.

There was always a note of irritation in the references of British Ministers to the suggestion that the King was the author of policies undertaken during their Administration. The policy, they said, was theirs and theirs alone and it was improper to impute direct action

to the Sovereign. A little jealousy for their own copyright may have mingled with solicitude for the King in these explanations, but substantially their claim to authorship is well-founded.

King Edward did not originate the British-French Entente, and the idea of one of his biographers that "he continually had on his loom the fabric of the Entente" and worked at it when he was Prince of Wales, and for years in advance of his Ministers, is fanciful. Until the Fashoda affair was disposed of and the Boer war over, no one could have worked at that loom. The Prince of Wales, as he was then, liked Paris, and he had many boon companions among smart Parisians who thought him an agreeable exception to the long-faced English, but there is no evidence that he differed at all from the accepted British policy in the years before and just after he came to the throne, which was generally speaking to lean on Germany and the Triple Alliance for support against the opposition of France in Egypt and elsewhere.

The British-French Entente was an event in the main stream of history in which personal and dynastic motives played a quite subordinate part. Its main artificers, as the records show, were Chamberlain, Lansdowne, Balfour, Cromer. Nevertheless to assign King Edward no part in it would be as wide of the mark as to treat him as the author of the policy. In the year 1903 when the two Governments first approached one another, the bitterness of public feeling after the events of the previous five years was the chief obstacle to progress. To bring the French into a state of mind in which the Entente became a possibility was a large part of the enterprise, and in this the King performed brilliantly exactly the service which is proper to the Constitutional Monarch and which could not have been performed by any Minister. His visit to Paris in May, 1903, was thought at the time to be a courageous, if not dangerous, experiment, but he made it an enormous success—the kind of success which a royal personage who knows his business achieves best in a Republican country. King Edward knew his business thoroughly and performed his part to perfection.

There is of course no doubt that he thoroughly approved the policy of his Ministers, and he would have been more than human if he had not taken some satisfaction in seeing a sharp check administered to

his nephew, the Kaiser. The uncle had put up with a good deal at the hands of the nephew, who had been both tactless and arrogant in his assertion of imperial priority over his senior relative, while the latter was still only heir to the throne. As King he was now on equal terms, and after 1904 he took no pains to conceal his opinion of his nephew's dangerous antics as he thought them to be. In 1905 his unconcealed sympathy with the French, and his refusal to visit or meet the Kaiser, undoubtedly gave stress and accent to the Entente and carried it somewhat beyond the point which its authors had in view.

2

In effect British policy in these years was determined for good or ill by successive Governments and Ministers under pressure of facts and events in which personal likes and dislikes played no considerable part. But the notoriety given to the quarrel between King and Kaiser—of which the details are richly set out in Sir Sidney Lee's official biography—was not at all serviceable to British diplomacy. Things that they were supposed to have said about one another flew round the whispering gallery of Europe gathering incident and volume as they went, and heated an atmosphere which it was important to keep cool. The differences between Great Britain and Germany were serious enough without being given the edge of a personal and dynastic quarrel. Unnecessary bitterness was added when the German people got it into their heads that the British Sovereign was engaged in a conspiracy to "encircle Germany" in order to vent his spite on his nephew.

It is impossible to read his biographer's account of King Edward's activities on his travels without coming to the conclusion that the King gave some handles to foreign critics in these years. But all this was behind the scenes. Judged by public and official records he was studiously correct and constitutional. He made serious efforts when he came to the throne to heal the quarrel with his nephew, and renewed them by visiting Berlin in the last months of his life. His public utterances were cautious and conciliatory, in striking contrast with the Kaiser's boastful and aggressive orations. His observations on dispatches and memoranda were frugal and infrequent—as a rule

almost monosyllabic—again in striking contrast with his nephew's garrulous and irresponsible marginal comments on the German documents. If we relied on the written record for evidence of the King's activities, we should have to say that he contributed almost nothing. But this also would be to do him injustice. His main contribution was in talk which, if not circumspect, was often shrewd and sagacious. In judging persons he had strong prejudices, but also a keen eye for the qualities and defects which made men servicable or otherwise in public life and in official or diplomatic positions. His observations about candidates proposed for the higher appointments and humbler names submitted for "honours" could never be ignored by his Ministers. One of his characteristics was an unfailing curiosity about the circumstances and life history of persons in the middle rank of life, and he seemed to have an inexhaustible supply of information or gossip about these. In all these respects he was a man of the world with a range of knowledge and experience and a flair for the feelings and opinions of ordinary people which made him a shrewd judge of policy.

The King was above all a fine figure of a man, with a personality which caught the public imagination and lent itself easily to the popular habit of interpreting events in terms of persons. Germans who knew nothing about British policy or the British constitution found it easy to attribute everything that went wrong to King Edward; and for the Kaiser it was the handiest and most flattering way out of his own blundering to ascribe its results to the malice and hostility of his uncle. Among foreign writers M. Maurois comes nearest the truth when, instead of treating the King as a figure apart, he groups him in what may be called a "Conversation piece" with the leading Ministers and statesmen of his time. He was admirable in his relations with his Ministers, and most of all when he disagreed with their policy. What would have happened if Queen Victoria had been on the throne when Campbell-Bannerman came to power with an immense Radical majority behind him, or when Asquith started on his struggle with the House of Lords, is difficult even to imagine. Her son thought the Parliament Bill to be the destruction of the House of Lords, but when the draft of it was submitted to him, he was content to observe that it was dated April 1. He could lose his temper and express himself

with great frankness and freedom, but he never worried or nagged ; and when differences were inevitable, he went out of his way to be friendly and courteous in his private dealings. Both Campbell-Bannerman and Asquith have left on record how greatly he eased their task by his forbearance and good humour.

Everybody liked him, and in his short reign he contrived to make the Crown popular without lowering its dignity. In this respect he seemed to have a perfect instinct for the happy mean. He knew the limitations of his own qualities, and had the good sense not to let them be faked or vamped by courtiers and officials. When elaborate speeches were written for him, he would throw them aside with an impatient gesture, since, as he said, "everybody knows I don't talk like that." For better or worse the public, he insisted, must take him for what he was, not as he might be dressed up for the monarchical stage. This was exactly what the great majority preferred, and in his hands the British monarchy was what the British people wished it to be. ,

3

The King had the great advantage of having at his elbow two exceptionally wise and able advisers, one his principal Private Secretary, Lord Knollys, the other, Lord Esher, whom he called the "greatest of his public servants." The latter became intimate with Queen Victoria and her son when Permanent Secretary to the Office of Works, which was responsible for the upkeep of the Royal palaces ; and after resigning that office he had devoted himself to Army reform, and was appointed the one permanent member of the Committee of Imperial Defence, for the establishment of which he was largely responsible. His activities, however, were not confined to military matters, and he became in effect a liaison officer between the King and the leaders of both political parties. He was trusted by both to the extent that both wished to make him Secretary for War, and Lord Morley, when Secretary for India, offered him the Viceroyalty in succession to Lord Minto. But his mind was made up that the particular thing he was doing could be done best if he declined public office and refrained from committing himself to either political party. His position was not without its difficulties and dangers, and his

enemies spoke of him as a mere King's favourite, but the judgment of those best entitled to speak was that he acted on the whole with remarkable discretion, and carefully abstained from using his advantage to poison or prejudice the King against individuals.

His "Journals and Letters" of which two volumes have been published are likely to be to a future generation what the Greville and Malmesbury "Memoirs" were to the previous generation, though it must be added that the comparison does them much less than justice, inasmuch as Esher was a far abler and more discursive man than the earlier diarists. The Esher "Journals" contain solid material for the historian of the Army, enlivened with inimitable portraits of British Generals of the Boer War period. They supply intimate touches to the story of Cabinet crises and help to trace the wavering thoughts of the King's Ministers at the perplexing development of foreign affairs. Above all they present a fascinating cinema of the King's reign. We see the principal figures living and moving, as memory recalls them—the genial and slightly cynical, "C-B"; Asquith with the deceptive appearance of pliancy which so misled his opponents in these years; "Jackie Fisher," half mountebank and half genius, dancing his hornpipes and being cut at a levee by his brother Admiral, Charles Beresford; the metaphysical Haldane handling his Generals; Grey, wise and cool, but self-absorbed; Lloyd George and Winston Churchill fighting McKenna with tooth and claw about the Dreadnoughts; Roberts persisting in his campaign for compulsory service to the annoyance of the War Office when they were trying to build up the Voluntary Territorial Army; Morley playing the high imperialist at the India Office and instructing the Committee of Imperial Defence on strategy; the convulsions behind the scenes about the 1909 Budget; the fatal burst of temper which led the House of Lords to reject it. King Edward presides over the whole scene, a shrewd and benevolent deity, whom Campbell-Bannerman calls Jupiter, reverently adding "O.M." which would do equally well for Optimus Maximus or Order of Merit. Jupiter is a Constitutional deity who is obliged to give his children freedom; he is enormously interested in all their doings, but at times greatly perplexed at what they do. The German peril is a persistent *leit-motif*, but opinions waver about it from year to year, even from month to month. The Kaiser

blows in on Windsor, talks peace at the top of his voice, goes home and prepares a new Navy Bill.

Then, as "occasional music," there is the sound of London society heard from the wings, State banquets, great parties, Stafford House in the days of "Millic, Duchess," gala nights at the opera, Miss Maude Allan and Lady Constance Richardson taking the town by storm with their dancing and captivating King Edward. Bridge and golf are invading all circles, and the diarist wonders a little whether they are a good preparation for fighting the Germans. He talks—everybody talks—of war as one of the inevitables, and is as concerned as Mussolini about preparing youth and instilling into it the right ideas with the appropriate propaganda. War is still strategy—an affair of getting the right number of men at the right point at a given time. Everybody seems to believe that, if this is done, all will go well.

4

There has been much talk about the differences between the Victorian and Edwardian eras, but though the words have come to bear a certain meaning they do not correspond to any division between the two reigns. The rebound from Puritanism, the coming of the new wealth, its mingling with the old aristocracy, the glorification of Empire, and other things commonly thought of as Edwardian, had set in long before Queen Victoria died, and may even be said to have reached their climax in the 'nineties. They received a sharp check in the South African war, and when King Edward came to the throne the reaction against imperialism which continued throughout his reign had already set in. On the other hand the breaking of social barriers, the cult of sport and pleasure, the revolt against the conventional in manners and behaviour continued and increased. Queen Victoria had remarked of the high society of her time that "they all seem a little mad," and she would undoubtedly have thought them madder still during her son's reign.

If there is one feature more than another which we can definitely trace back to the years of this reign, it is the discovery of what is now called publicity. The popular press with its vast circulations and its habit of projecting and sensationalizing the activities of the smart set threw a new high light upon the rich and conspicuous, and stirred a

lively consciousness of the gulf between wealth and poverty. Socialism in these years and later has had no more serviceable auxiliary than the picture pages of the popular press. The same causes were powerfully influencing politics and the public attitude to them. Regard and reverence for Parliament became more difficult as the newspapers discarded the full and consecutive reports of former times and concentrated on "scenes" and incidents which they thought likely to catch the fancy of their million readers. In the days before wireless the proprietors of newspapers had for the time being a monopoly of mass-suggestion, and they used it in all directions to shatter the proprieties and solemnities of the Victorian period, and often with a light-hearted disregard of the indefinable something which that period called the public interest.

5

Such in general was the background against which the Parliamentary struggle was proceeding at the time of King Edward's death. The rich and conservative classes were greatly alarmed, and magnified the demands made on them out of all reasonable proportion. In resisting they had landed themselves in a position in which much more was at stake than the few millions of the Lloyd George Budget, but they still clung to the hope of a reaction which would save the House of Lords and sweep their assailants off the scene. We get a hint of their mood in the long telegram which the Kaiser dispatched from Windsor, where he had gone for the King's funeral, to his Chancellor Bethmann Hollweg: a telegram, as he described it, summarizing "talks with his relatives, with gentlemen of the Court, with certain old acquaintances, and many distinguished persons." The general conclusion, he reported, was "somewhat as follows: People's minds are wholly occupied with the internal situation and its insecure future. The outlook all round is black. The Government is thoroughly hated. It is impossible to find words strong enough to express what is felt about the character of the Ministry. For the present no one sees any way out. It is reported with satisfaction that in the days after the King's death and during the lying-in-state the Prime Minister and other of his colleagues were publicly hissed in the streets and that expressions like 'you have killed the King' were heard. A demon-

stration against the Government is looked for during the great mourning and funeral ceremonies, and a strong reaction in a Conservative sense is thought not improbable."

We may wonder at the frankness with which gentlemen of the Court and distinguished persons assembled at Windsor for the King's funeral poured out their grievances to the German Emperor, but there is no doubt that he correctly described the mood of the hour in these circles. Asquith was not hissed in the street, there was no demonstration against the Government during the King's funeral, and no Conservative reaction afterwards, but there was an intense and increasing bitterness between parties. Malicious stories were invented and believed about eminent people, old friendships were sundered, men and women declined to meet one another on neutral ground; the common basis on which party politics had gone forward seemed suddenly to have disappeared. Eminent men on both sides were talking of going all lengths at all costs and "damning the consequences." Everything seemed laid out for an exciting and dangerous conflict with an eager public and excited press denouncing moderation as weakness. Women were as excited as men and went about their business of winning the vote with a determination to shock and scandalize.

CHAPTER XXXIII
THE PARLIAMENT ACT
1910-1911

I

WHAT was the right thing to do ? had been the question which Asquith had put to himself on hearing of the King's death during his Mediterranean cruise, and a week later he came to the conclusion that the death of the King had "completely transformed the political situation." King George, who now came to the throne in his forty-sixth year, was not the novice and stripling which for rhetorical purposes he was represented as being in the debates of the following year, but a true instinct said that to plunge him into the turmoil of politics, as they were at this moment, and to require him in the first weeks of his reign to take decisions that might be of the gravest consequences to the country and the monarchy would be improper and inconsiderate. Moreover, it was at least possible that, if time were given for reflection, parties might still avoid the head-on collision on which they had been rushing.

Asquith, therefore, after consulting the King approached Balfour and proposed a conference between party leaders, on the questions that divided them. Balfour agreed and together they mapped out the ground roughly into three sections : (1) the relations of the two Houses in regard to finance, (2) provision of some machinery to deal with persistent disagreement between the two Houses, whether by limitation of veto, joint sitting, referendum or otherwise and (3) the possibility of coming to some agreement as to such a change in the composition and numbers of the second House as to ensure that it would act and be regarded as acting fairly between the great parties in the State. The conference met for the first time in the Prime

Minister's room in the House of Commons on June 17 and continued its sittings at longer or shorter intervals until the middle of November, when agreement proved impossible. The Government were represented by the Prime Minister, Lloyd George, Crewe and Birrell, the Unionist party by Balfour, Lansdowne, Austen Chamberlain and Lord Cawdor.

The records of the proceedings are scanty—a few notes left by Asquith, a memorandum by Lansdowne, and sundry hints in public speeches. According to Asquith, the working of the bicameral system and of the referendum and plebiscitary expedients in other countries was thoroughly explored, and two witnesses were heard, Dr. Nicholas Murray Butler, the President of Columbia University, who explained the working of the American Constitution, and Mr. Fielding, a distinguished Canadian public man, who contributed his experience of the Dominion and Provincial Parliaments of Canada. When the House of Commons rose for the recess at the end of July Asquith gave a moderately optimistic account of the proceedings. A large part of the field of controversy had, he said, been carefully surveyed and though no agreement had been reached, the discussions had made such progress as to make it not only desirable but necessary that they should continue. But surveying the ground and building on it were two very different things. As soon as the constructive effort began irreconcilable difference opened up. The Unionists wished legislation to be divided into three categories, ordinary, financial and constitutional, the last being reserved for Referendum, before they became law. Some progress was made on the subject of finance, the Unionists being willing to surrender the right of the Lords to reject Money Bills, provided the scope for these was carefully defined, and it was agreed that the procedure on "ordinary" Bills should, in case of disagreement, be by joint sittings of the two Houses. But on the definition of "ordinary" Bills and "constitutional" Bills, and the numbers respectively in which the two Houses should be represented at the joint sittings, the differences were beyond bridging.¹

¹ The course of events at the beginning of October, 1910, may be judged from a letter which Asquith addressed to Balfour ("Life of Lord Oxford and Asquith," Vol. I, p. 289).

"It is nobody's fault," said Asquith, when the failure had to be reported. The truth was, as Asquith's biographers put it, that what the conference had been attempting was nothing less than to convert the immemorial unwritten into a written constitution—a task of enormous difficulty at any time and at that moment very like insuring a house when it was on fire. Both parties had in mind certain impending questions—especially Home Rule for Ireland—on which the one desired to remove obstructions and the other to block the way. Greatly as he desired a settlement, Asquith's position would have been impossible if he had come out of the conference with proposals which his party would have interpreted as condemning them to "plough the sands" for another generation. On the other hand, the Unionist leaders would have been in the same trouble if their party had supposed that they had sacrificed the House of Lords or paved the way to Home Rule.

The more eager partisans had watched the proceedings with suspicion and anxiety from the beginning. Labouchere used to say that mischief was always on foot when front-benchers laid their heads together. This was the belief of many stalwart Liberals and Radicals in these months, and they were more than ever suspicious when it was reported that Balfour and Lloyd George were scheming together for a Coalition from which Asquith was to be excluded. Rumour in this case was in advance of the facts. There was no intrigue behind Asquith's back, and the idea of excluding him from any combination which looked to the support of the House of Commons was the last that could have occurred to any practical politician at this time. His predominance over all rivals was at that moment unquestioned. But even in these early days Lloyd George had a fancy for coalitions, and Asquith looked on with a certain detachment while he explored the ground with Balfour. The ground was exceedingly unfavourable. Political standards vary with time and place, but in 1910 the appearance of a Coalition in which Liberals were supposed to have bought Home Rule and Welsh Disestablishment by conceding Tariff Reform and compulsory military service, or Unionists to have sold Ireland and the Welsh Church for Liberal concessions, would have scandalized the public and destroyed all faith in the seriousness and honesty of politics.

The failure of the conference brought Asquith back to the point at which he stood at the time of King Edward's death. He had submitted to the King's view that "guarantees" could not reasonably be asked from the Crown for his House of Lords policy on the strength of the Budget election, but he had pledged himself to his supporters that he would in no case recommend a dissolution and second election "except under such conditions as will secure that in the new Parliament the judgment of the people as expressed in the election will be carried into law." There remained then nothing to do but to ascertain whether a second election directed to the House of Lords issue would satisfy King George, as presumably it would have satisfied his father. The third course of going on as if nothing had happened and leaving the Lords in full possession of their powers was clearly impossible, and even if Ministers had been disposed to attempt it, would have led to their speedy downfall at the hands of Radicals and Irish. The question need not have been put to King Edward, for when he stipulated for a second election as a condition of using his prerogative, it followed as a matter of course that, if the second election were decisive, he would use it if necessary. But the natural course of events having been broken by King Edward's death, Asquith felt it necessary to ascertain whether the same condition would satisfy his successor.

The King would undoubtedly have been within his rights in declining to answer the question. But in that case Asquith must have resigned, and it would have been impossible to prevent the action of the Crown from being brought into question at the election, which must have followed at once if a Unionist leader formed a Government. It was reported at the time that Balfour and Lansdowne were willing to take the responsibility of forming a Government in these circumstances, but the responsibility would have been a heavy one. For the King, if he had consented, must have linked his fortunes with theirs and those of the House of Lords at an election of which the results were at least extremely doubtful. This might possibly have been a temporary service to the Conservative party, but an electoral reverse must in those circumstances have been damaging to the monarchy,

whereas the King was on perfectly safe ground in promising to use his prerogative, if the necessity arose, to give effect to the clearly expressed will of the people.

But if the Crown was to be kept out of politics it was necessary that the transaction should be strictly between the King and his Ministers. A visible crisis in which the King was seen consulting the leaders of other parties before he gave his answer to the Prime Minister would have defeated this purpose, and made his action a live issue before the election. Asquith's view that the King should answer him first, before having recourse to Opposition leaders, would not in any case have been unreasonable, but it was a necessary condition if the monarchy was not to be involved in the electoral struggle.

Thus to go straight to the point, put the question and accept the answer, whatever it might be, and avoid all palaver seemed to Asquith the right and wise course. He had no little difficulty in persuading some of his colleagues to this instant action. Some of them were for "waiting and seeing," postponing the election until the Parliament Bill had been passed through all its stages and rejected by the House of Lords in a new session. Tacticians were in doubt whether the election before Christmas, on which Asquith was resolved—a second election in one year—would be palatable to the country. Asquith swept aside all these doubts and hesitations. On November 10, the day after the conference had held its last meeting, he told the Cabinet he had decided to ask for an immediate dissolution, and the next day (Nov. 11) he went to Sandringham to see the King and laid the situation before him.

An interval of five days followed during which the King returned to London. On November 15 the Cabinet drew up a memorandum and forwarded it to the King the same afternoon :¹

The Cabinet has very carefully considered the situation created by the failure of the Conference, in view of the declaration of policy made on their behalf by the Prime Minister in the House of Commons on April 14, 1910.

The advice which they feel it their duty to tender to H.M. is as follows :

An immediate dissolution of Parliament—as soon as the necessary parts of the Budget, the provision of old age pensions, and one or two other matters have been disposed of. The House of Lords to have the opportunity, if they

¹ "Life of Lord Oxford and Asquith," Vol. I, p. 297.

demand it, at the same time, but not so as to postpone the date of the dissolution, to discuss the Governments Resolutions. H.M. Ministers cannot, however, take the responsibility of advising a dissolution unless they may understand that in the event of the policy of the Government being approved by an adequate majority in the new House of Commons, H.M. will be ready to exercise his constitutional powers (which may involve the prerogative of creating Peers) if needed, to secure that effect shall be given to the decision of the country.

H.M. Ministers are fully alive to the importance of keeping the name of the King out of the sphere of party and electoral controversy. They take upon themselves, as is their duty, the entire and exclusive responsibility for the policy which they will place before the electorate. H.M. will doubtless agree that it would be inadvisable in the interest of the State that any communication of the intentions of the Crown should be made public unless and until actual occasion should arise. (Nov. 15, 1910).

On the afternoon of the following day Asquith accompanied by Lord Crewe went to Buckingham Palace to receive the King's answer. "I have never seen the King to better advantage," Asquith wrote the same evening, "he argued well and showed no obstinacy." It was a painful and difficult occasion. The King at the outset of his reign was asked to take a decision of grave consequence to the monarchy, which might easily cost him the favour of those who were most profuse in their professions of loyalty to the throne, and his Prime Minister was obliged to ask it or retire from the scene baffled in the chief part of his policy. There were moments when the result seemed to be in doubt, but what decided it was that no argument could reveal any alternative which was not worse. It was for the King a choice of evils, as Asquith indicated in the carefully chosen words in which he described the occasion in the House of Commons the following year :

His Majesty after careful consideration of all the circumstances past and present and after discussing the matter in all its bearings with myself and with my noble friend and colleague, Lord Crewe, felt that he had no alternative but to assent to the advice of the Cabinet.

3

In the short interval between the announcement of the dissolution and the prorogation of Parliament, the House of Lords had what was called at the time a "death-bed repentance." The King had stipulated that,

in order that there might be no doubt about the issue, the Parliament Bill should be presented to the House before the election. It was so presented, but instead of discussing it, Lansdowne moved the adjournment of the debate on the second reading in order to bring forward proposals of his own. These were substantially what he had proposed to the Constitutional Conference, the House to be reduced in numbers and "reconstituted," the power over Money Bills to be surrendered in return for certain safeguards, the Referendum to be applied to legislation termed "organic" or "constitutional"—the undefined X of the conference project. The resolutions served as the alternative policy of the Unionist party at the election, and Unionist candidates argued very earnestly that the Referendum was the more democratic of the two policies before the country. Liberals replied that if a Referendum was to be at the discretion of the peers when a Liberal Government was in power, it should also be at the discretion of a Liberal minority in the Commons when a Conservative Government was in power. This specific disappeared from sight when it had served its argumentative purpose. Neither party welcomed the idea of being haled before the country by its opponents in the middle of its period of office, and both, when they came up to it, recognized the essential incompatibility of a plebiscite with representative and Parliamentary Government.

The election was over by December 2 and gave the Government a majority of 126, a figure which could not be impeached as less than the "sufficient majority" for which the King had stipulated to make his understanding with Asquith operative. The platform warfare followed the established lines, Unionists denouncing the Parliament Bill as opening the flood-gates to all destructive legislation, and especially Home Rule, Liberals replying that it was the minimum required to make the Parliamentary system work and to give them the "fair and even chance," as Asquith termed it, in legislation to which they were entitled. In subsequent days Balfour and the Unionists claimed passionately that the Government's mandate only extended to the Parliament Bill and not to Home Rule, Welsh Disestablishment and other measures which they subsequently proposed. Asquith was able to point to many passages in his own speeches which covered these measures and intimated that he regarded the

Parliament Bill as a means to these ends and not as an end in itself, but the point was little more than controversial. It is improbable that any considerable number of electors voted for the Liberal method of dealing with the House of Lords in December, 1910, without being prepared for its consequences. Liberal policy had been exhaustively debated in three elections in five years and the natural inference after the third election was that the main obstacle to its fulfilment would now be removed.

4

Indeed the "sudden emergence of certainty" was, in the words of Augustine Birrell, what most struck the imagination of the public, when the new Parliament assembled on February 6, 1911. Ever since 1895 when Rosebery went to the country denouncing the House of Lords, they had seen the two Houses sparring and manœuvring but nothing happening. The Liberals had protested a dozen times that "a way must be found," but at the critical moment they had either decided that discretion was the better part of valour or been driven from office. Under the guidance of the Conservative leaders the peers had on the whole conducted their campaigns skilfully up to the year 1909, and their House might have lived the normal life of threatened institutions if they had not stepped out of their ground in that year. That at length brought the two Houses to grips and entailed consequences which, though they might be damned, could not be avoided.

But the Unionist leaders were by no means convinced of the "certainty." Asquith had hoped, and even assumed, that if the election gave a decisive result, the peers would bow to the inevitable without requiring him to invoke the aid of the Crown. In this he miscalculated. Once more there were eager spirits and clever strategists who thought that the Government might be manœuvred into a false position by skilful Parliamentary handling. At this point the secrecy which had served to keep the Crown out of politics during the election became a serious disadvantage. Asquith was still of opinion that the King's name should not be mentioned, and still believed that after a spirited rear-guard action the Unionist leaders would withdraw their forces. But Lansdowne, being in ignorance of the facts, let himself be driven by the zealots of his party into a position

which in all probability he would never have occupied if he had known them. Asquith watched uneasily while the King invited the Unionist leaders to Buckingham Palace and warned him of the danger of attempting to mediate between parties. Short of telling them the facts, the King could do nothing but listen while Lansdowne warned him not to "take for granted that in no circumstances might the House of Lords take a line which would render it impossible for him to overcome them except by the creation of peers." There were possible new issues. Was it conceivable, for instance, that H.M.'s advisers should desire to create 300 peers to swamp the Lords, if they merely carried an amendment "for the purpose of safeguarding the Constitution against violent change during the time which, if the Bill became law, would pass before a reformed House of Lords could be called into existence?"

It was precisely these "new issues" and other slips between cup and lip which Asquith had endeavoured to guard against when he approached the King in the previous November. But Lansdowne, being still in ignorance of the facts, began methodically to prepare his scheme for a reformed House of Lords to be set at the eleventh hour against the Government's Parliament Bill. The "death-bed repentance" begun in the last Parliament was now resumed, and on May 8, while the Government's Bill was bearing its way through its last stages in the Commons, he presented this scheme to the peers. The reformed House which he proposed was to consist of 350 members, of whom 100 were to be peers elected by a specially qualified panel of their own order, 120 elected by the House of Commons, 100 appointed by the Crown in proportion to the strength of parties in the Commons, and the remaining 30 composed of judicial dignitaries and spiritual Lords. Incidentally he proposed to abolish the constitutional remedy for a deadlock between the two Houses through the creation of peers, since in future the creation of new peers was to be limited to five a year and no hereditary peer was to be summoned to the new House unless he were a "lord of Parliament" as defined in the Bill. The plan was only sketched in outline, but apparently the procedure contemplated in the event of differences between the two Houses was that of conference, joint sittings and, in the last resort, referendum.

No more was heard of this proposal after a polite second reading accorded to it in the following week. It was said at the time that if the peers had been asked to choose between the Government Bill and Lansdowne's Bill, and a vote had been taken by ballot, a large majority would have preferred the former. For to five-sixths of them the choice was between the loss of power proposed by the Government and the complete loss both of power and status proposed by Lansdowne. The *coup de grace* to the Lansdowne scheme was given by Lord Morley, who intimated briefly that though it might be "a possible supplement or complement to the Parliament Bill, there was one thing it could not be, and that was a substitute or an alternative for the Parliament Bill."¹

That the whips of their own party should be added to the scorpions of the other party seemed most untimely to the rank and file of the peers, and more and more of them rallied to the veteran Lord Halsbury who had appealed to them to "take their stand on their constitutional hereditary right and stoutly resist any tampering with it either by their own party or the other party." Halsbury by this time had an active organization at work hunting up the "backwoodsmen," as they were called, peers who never attended the sittings of the House, whose opinions, except that they were assumed to be Conservative, were unknown, and whose whereabouts even at this moment of crisis was, in many cases, uncertain. The curious composition and habits of the ancient hereditary Chamber were revealed to the public gaze as never before at this time. Of its six hundred members, not more than a hundred normally attended its debates, and of the remaining five hundred a certain number might be relied upon to swell the attendance and make a majority on important occasions, but the great majority seldom or never attended the House or signified any interest in its legislative proceedings. To bring them from their lairs, to pledge them to a firm stand to "strengthen Lord Lansdowne's hands" by providing him with a party which was prepared to die in the last ditch—"last ditchers and die-hards"—was now the avowed object of Halsbury and his spirited young lieutenant, Lord Willoughby de

¹ Morley had ceased to be Secretary for India in 1910 and was now Lord President of the Council, and in the absence of Lord Crewe through illness acting as leader in the House of Lords.

Broke. When the Parliament Bill finally reached the Lords in the last week of May, it was generally supposed that they had secured a clear majority for the policy of resisting to the death.

5

Yielding to this pressure, Lansdowne and the Unionist leaders proceeded to treat the Parliament Bill as in 1906 they had treated the Education Bill—turn it inside out in Committee. The Referendum was substituted for the Suspensory Veto for all measures of Home Rule, whether for Ireland, Scotland, Wales or England, and for all other measures which a joint Committee—in effect a kind of new Third Chamber—might decide to be of “great gravity.” The same Committee was substituted for the Speaker to decide what were “Money Bills,” in order, as Lansdowne said, “to prevent the House of Lords from being deprived of rights in the region of finance which they conceived to be theirs.” When the Bill came out of Committee it was, as Asquith said, “as completely transformed as if no general election had taken place.”

It was clear by this time that Lansdowne had placed himself in a position from which he could not retreat except under visible coercion, and that coercion could only be the disclosure of the understanding between the Government and the King. On July 14, when the Committee stage in the Lords had been concluded, the Cabinet addressed a Minute to the King intimating that it would be their duty to advise him to exercise his prerogative to secure the passing of the Bill. Three days later the King replied that he accepted their advice. The facts were now communicated to Lansdowne, and when the Bill came to its third reading in the Lords he took the first step back by adding the words “so long as they are free agents” to an otherwise firm statement that the Opposition would stand by their amendments (July 20).¹

In the meantime he had summoned the Unionist peers to meet him at Lansdowne House on the following day, and when they arrived he had in his hands a letter addressed jointly to him and Balfour by the Prime Minister :¹

¹ “Life of Lord Oxford and Asquith,” Vol. I, pp. 312-13.

10, Downing Street,

July 20, 1911.

DEAR { MR. BALFOUR
{ LORD LANSDOWNE

I think it is courteous and right, before any public decisions are announced, to let you know how we regard the political situation.

When the Parliament Bill in the form which it has now assumed returns to the House of Commons, we shall be compelled to ask that House to disagree with the Lords' Amendments.

In the circumstances, should the necessity arise, the Government will advise the King to exercise his Prerogative to secure the passing into law of the Bill in substantially the same form in which it left the House of Commons; and His Majesty has been pleased to signify that he will consider it his duty to accept, and act on, that advice.

Yours sincerely,

H. H. ASQUITH.

This seems to have been as great a shock to the assembled peers as it had been to the recipients of the letter, and it threw them into confusion. The official advice was for withdrawal, but Halsbury was immovable, and by this time he had behind him no mere rump but serious and eminent men like Lord Salisbury and his brothers in the House of Commons, Joseph Chamberlain (from his sick-bed) and men of high official rank like Lord Selborne, Mr. Wyndham, Sir Edward Carson, and Lord Milner. All these were for going on and treating the letter as bluff which could safely be called. The conflict between the Government and the peers was now superseded by an even fiercer struggle between the two sections of the Unionist party. For both it was a race against time, greatly complicated by the difficulty of ascertaining the intentions and even the whereabouts of the "back-woodsmen" whose votes were the deciding factor. Outwardly and superficially the Die-hards had all the advantages of the seemingly heroic course, and the official leaders had committed themselves so deeply and spoken so trenchantly about the iniquities of the Government policy that they could be plausibly represented as showing the white feather when it came to action.

6

The proceedings in the House of Commons, to which the Parliament Bill now returned, reflected the temper and tumult behind the

scenes. On July 24, when Asquith rose to open the debate on the Lords' amendment, his voice was drowned in clamour and after standing for half an hour "at the box" he had to sit down with his speech unspoken. He was "derided, scorned, insulted," said a Conservative paper the next day, and "it was all meant and all done." It was meant and done, another Conservative newspaper explained, not merely to vent anger upon Asquith, but to stiffen the Unionist leaders who were meditating surrender. The latter endeavoured to put themselves right by moving votes of censure on the Government in both Houses, which would enable them and their supporters to vent opinions that could not be expressed in further debates on the Bill without leading logically to its rejection. In the Commons Balfour developed the idea that Ministers had taken advantage of a "Sovereign who had only just come to the throne, and who, from the very nature of the case, had not and could not have behind him that long and personal experience of public affairs which some of his great predecessors had had"—in fact, as someone else put it more bluntly, that they "had played the bully in the royal closet." This was delicate ground on which argument could hardly go forward without the King's judgment and the constitutional propriety of his action being brought into question, or his conduct be defended without at least the appearance of making him a partisan of the Government. In the Lords, Lord Crewe, who had been present at the Buckingham Palace interview, related what had happened with special emphasis on the King's "natural and, if I may be permitted to use the phrase, legitimate reluctance," but Asquith declined to be led into any further discussion of the motives and feelings of the King or his views about the Government policy. The question was, simply, in his view, whether the King was acting constitutionally in using his prerogative to give effect to the decision of the electors and whether in the circumstances he could have done otherwise. For the policy, Ministers and Ministers alone were responsible, and to draw any inference from the King's action about his personal opinions was a constitutional impropriety.

These debates did not cool the atmosphere or quench the spirits of the militants. The Commons dealt with the Lords amendments on August 8, accepting one which excluded from the operation of

the Bill any measure extending the duration of the Parliament beyond five years, and conceding part of another by providing that the Speaker should consult the Chairman of Ways and Means and the Chairman of the Committee of Public Accounts, when required to define Money Bills. In the meantime Unionist moderates and Die-hards were engaged in a feverish canvass of probable or possible supporters against the return of the Bill with the other amendments rejected to the Lords on the following day (August 9). When the time came no one could predict the result. Lansdowne had a list of 320 Unionist peers who were pledged to abstain from voting against the Bill, and Morley, who was leading for the Government, a list of eighty who were pledged to vote for it. The Die-hards kept their own counsel, but they were supposed to be in sufficient numbers to defeat the Bill if no more than the eighty voted for it. The question which remained was how many Unionist peers would in the last resort vote for the Bill, if that were necessary to save it.

No one knew and until the last moment of the third day the debate went forward in a tense atmosphere of doubt and darkness. It was worthy of the great occasion. Anger and tumult had attended the last stages in the House of Commons, but the peers now faced their enemy with dignity and composure, and kept a passionate argument on a high level of restrained eloquence. It was clear after the first day that not only the Die-hards but a good many more clung to the belief that the creation of peers was not seriously intended. In spite of Asquith's letter to the Unionist leaders, and in spite of his definite announcement to the Commons and Crewe's repetition of it during the censure debate in the Lords, they still believed the Government to be bluffing. Morley, therefore, obtained the King's assent to make an even more precise statement, when the debate was resumed on the second day :

"If the Bill should be defeated to-night His Majesty will assent to the creation of peers sufficient in number to guard against any possible combination of the different parties in Opposition by which the Parliament Bill might be exposed a second time to defeat."

To clinch it he added : "Every vote given against my motion to-night will be a vote for a large and prompt creation of peers."

Lord Halsbury's biographer tells us that even so the Die-hards

"remained unconvinced." It would perhaps be truer to say that they were by this time too deeply committed to be open to conviction. The precision of Morley's statement and the threat of a "large and prompt" creation of peers had had its effect upon the remainder and especially on those who had counselled waiting for a small creation—just sufficient to swamp the small majority by which they hoped and expected that the Bill would be defeated at this stage. The next day, Dr. Davidson, the Archbishop of Canterbury, hammered the point home in a speech which was afterwards said to have had more influence on votes than any made in the three days. He announced that he was going to vote *for* the Bill, having been moved from his resolve to abstain by "the callousness—I had almost said levity—with which some noble lords seem to contemplate the creation of some five hundred new peers—a course of action which would make this House, and indeed our country, the laughing-stock of the British Dominions beyond the seas, and of those foreign countries whose constitutional life and progress have been largely modelled by our own."

Nevertheless, when the division was called, the result, in Morley's words, "was still profoundly dark, and dark it remained in the dead silence only broken by the counting of the tellers down to the very moment of fate." The Bill was passed by a majority of 131 to 114, 37 Unionist peers and 13 bishops voting with the Government. It seemed a narrow escape, but was probably in reality not quite so narrow as it looked. Had the Die-hards mustered in greater numbers, it is probable that an equivalent number of abstainers would have been brought into the Aye lobby.

7

As a Parliamentarian, Asquith showed equal nerve and skill in these years. The first election, the pause after King Edward's death, the Constitutional Conference, the understanding with the new King, the second election—these in sequence constituted an orderly and logical approach over difficult ground to the end in view. If the thing had to be, it is difficult to see how it could have been done in a manner less open to legitimate objection or less liable to challenge on the ground that the issue had been fogged or shirked. Secrecy had its

disadvantages as the event proved, but the House of Lords had so often declared that it would bow to the will of the people when clearly declared, that Asquith had fair ground for supposing that recourse to the royal prerogative would not be necessary. Here he miscalculated the volume of the passions and antagonisms that the long struggle between the two Houses had set in motion.

It is now so generally recognized that the action of the King was correct and constitutional that further argument on the point is unnecessary. But no favourable judgment can be passed on the handling of affairs by the Unionist leaders in these years. From 1906 onwards they had used the House of Lords to prevent the victory of their opponents from having what may be called its normal consequences in legislation. Liberal Education Bills, Licensing Bills, Land Bills were naturally distasteful to the Conservative party, but if winning an election by an enormous majority did not mean that the Liberal view on subjects of this kind was to prevail, it could mean nothing. The land taxes and land valuation to which the Conservative party took chief objection could have been repealed, as in fact they were repealed, if and when the Conservative party returned to power. To win an election was all they needed to make their view prevail; in 1909 the Liberal Government was nearly four years old, and Conservatives professed to be confident of defeating it when they were given the opportunity. Where then was the wisdom of involving the House of Lords in the fate of a Budget which, on their own calculation, would be at their mercy in a year or eighteen months' time?

The rejection of a Budget was no ordinary issue between Lords and Commons. As a legal proposition it might be argued that though the peers had never exercised—or at least not for 250 years—they had never abrogated their power of rejecting a finance Bill. But it was a power which clearly they could not exercise without implicitly putting in a claim to have the power of life and death over Government and House of Commons. If that could have been made good, the peers would from that time have been in reality as well as in name the "upper" and the House of Commons the "lower" House. It is singular that Lansdowne, who had formerly been a Liberal and was by descent a Whig, should have failed to see that no Liberal Govern-

ment would be able or be allowed by its supporters to remain in power if it won the Budget election, unless in the familiar phrase, it "found a way" of re-establishing the elective House as the superior authority.

"Damning the consequences" meant in this case ruling out all consideration of the situation which would be created if the Unionist party failed to win the Budget election, and it meant, when that happened, that the party had no concerted plan of action beyond hoping that something might turn up at the eleventh hour to prevent the inevitable. At his interview with the King on January 11, 1911, Lansdowne acknowledged that his party would not "stand any chance if the country were to be again appealed to on what would virtually be the same issue," but he "nevertheless clung to the hope that as the situation developed the issue might undergo a change." In his efforts to change the issue, Lansdowne irritated the public, divided his party, placed the King in a painful position, and all but brought upon the House of Lords a swamping creation of peers.

The recriminations which broke out in the Unionist press as the curtain went down, were certainly not without excuse. The moderates who said that the inevitable should have been accepted with a good grace, and the Die-hards who complained that they had been led on into the breach and then deserted by their leaders, equally had cause for complaint. It caused special anger to the latter that the Archbishop of Canterbury and twelve bishops had played the conspicuous part of voting for the Bill, and dark hints were thrown out of reprisals to come when the Church should need Conservative support against Radical assailants. The sober judgment, when tempers cooled, was that the House of Lords had wasted reserves which should have been kept for great emergencies on relatively unimportant matters. The problem of creating a Second Chamber which would be conservative in the general sense, as Second Chambers are supposed to be, without becoming the instrument of a Conservative party, was handed on to the future.

In the meantime it lent a touch of irony to the proceedings of the year 1911 that this year—the year of the Parliament Act—the Commons instituted payment of members by voting themselves £400 a year.

BOOK THREE
THE DEFEAT OF PEACE
1911-14

CHAPTER XXXIV

AGADIR

1911

I

THE years 1909 and 1910 were a period of relative calm in European affairs. Exhausted by their efforts of the previous months, the Powers for the time being ceased to threaten and bluff. A movement was on foot in the Balkans which later was to have portentous consequences, but for the moment it ran underground and there was peace on the surface. In the meantime the Tsar visited the Kaiser at Potsdam, where the two monarchs were supposed to have buried the hatchet, and the Russian to have secured the concession of a branch line connecting the Russian sphere of interest in Persia with the Bagdad Railway. This meeting was regarded with some anxiety in Paris and London, for the Tsar had given a plain hint that, if he were not better supported by France and Britain than he had been in the Bosnian affair, he would hold himself free to bargain with Germany. France, in the meantime, had made a new agreement with Germany about Morocco, which her neighbours hoped would turn out the whole ground of contention, but which unfortunately was to have only a limited and purely commercial scope.

Early in 1911 the Sultan of Morocco, Mulai Hafid, reported that a part of his periodic difficulties with rebels, and it was reported that a pretender was advancing on Fez and threatening to make him a prisoner in his capital. The French thereupon announced their intention of marching to Fez not merely to relieve the Sultan but to rescue Europeans who were said to be in danger. The Germans were sceptical about the necessity, but contented themselves for the moment with saying that a new situation would arise which would require

new negotiations if the French occupied Fez or impaired the sovereignty of the Sultan. The French interpreted this as meaning that Germany would require "compensation," and of their own accord suggested that it might be found in the French Congo.

The British Government had looked on with some anxiety while the French stirred these smouldering embers, but up to the end of June the affair seemed to be running a normal course. The Germans had not threatened or blustered as on previous occasions; they were to all appearance sitting down methodically to turn the situation to their advantage. Hard bargaining was reported from Kissingen where M. Jules Cambon, the French Ambassador, and Herr Kiderlen Wacchter, the German Foreign Secretary, both chanced to be taking a cure, and by the end of June it had so far advanced that the French Ambassador started for Paris to lay the results before his Government. He was in a cheerful and hopeful frame of mind.

When he reached Paris he learnt from the newspapers that the Germans had sent a warship to Agadir, a small port on the Atlantic coast of Morocco. It was a very small ship, as the Germans afterwards explained, but it carried the German flag, and according to the diplomatic code of the time its appearance there at that moment could only be construed as a threat. The negotiations were on ground on which the British were pledged to support the French, the place chosen was a port on the Atlantic where the British Admiralty least of all wished the Germans to be, the explanation offered that the ship was intended to ensure the safety of German nationals and German trading firms was manifestly untrue, since there were no Germans in the neighbourhood and no trade of any consequence, German or otherwise, was done from the port of Agadir.

French and British concluded that they were faced with another of the testing operations which from 1905 onwards the Germans had practised on the Entente. The French saw themselves once again faced with the choice of humiliation or war; the British saw a claim being pegged out for a German port on the Atlantic. Grey immediately told the German Ambassador that he considered the

situation "new and important," and that the British Government must not be regarded as a passive spectator.¹

2

If we may believe the German documents, the dispatch of the *Panther* was the idea of Kiderlen Wacchter, the German Foreign Secretary, a devout believer in the efficacy of the "big stick," who protested to the end that he was under the honest belief that the French would be encouraged and the negotiations brought to the desired conclusion by this stroke. So he assured the Kaiser, who was yachting at Kiel and, being of a like disposition, the Kaiser believed him. Both Kaiser and Foreign Secretary were thrown into confusion when the expected result did not follow. "It is pure farce," said the Kaiser, "and what the devil is to happen now?" Heated notes were exchanged between Kiel and Berlin, and when Kiderlen Wacchter expressed the opinion that "we must continue to act strongly if we are to get a good result" the Kaiser fell into something like a panic. "I must return home at once," he telegraphed, "for I can't let my Government go on like this without being on the spot and in a position to supervise the consequences and take them into my own hands. That would be unpardonable and altogether too Parliamentary. *Le Roi s'amuse*, and in the meantime we are steering towards mobilization. That must not take place without me. Our Allies must be informed first. That will bring them into sympathy with us. . . . The Gauls have got over their first fright and found time to obtain advice in Petersburg and London, the thing I always feared owing to the incredibly slow pace of the negotiations." To these cries of alarm the Minister in attendance, Herr Treutler, added a private warning to the Chancellor, Bethmann Hollweg, that it would be very difficult to obtain the Kaiser's consent to any steps which he thought might lead to war. Kiderlen Wacchter was so upset by these signs of displeasure in the highest quarter that he offered to resign, but was dissuaded by Bethmann Hollweg, who telegraphed to the Kaiser that he need

¹ For details in this Chapter see chiefly G.P., XXIX; Gooch and Temperley, Vol. VII; Grey "Twenty-five Years," Vol. I, pp. 224-5; Lloyd George, "War Memoirs"; the author's "Fifty Years of Europe" Ch. XXXIII.

not be disturbed or interrupt his holiday, since no threat had been made to the French. Apparently he shared Kiderlen Wacchter's view that the dispatch of the *Panther* was a likely way of facilitating and expediting the negotiations.

There was certainly, as the Kaiser said, an element of farce in the business thus far. But the French were at Fez, and the *Panther* was at Agadir, and neither could withdraw without lowering their flag to the other. For the next fortnight Bethmann Hollweg and Kiderlen Wacchter were pondering the Kaiser's question, "what the devil to do next?" without coming nearer an answer to it. "If we demand the *status quo*," wrote Kiderlen Wacchter to Bethmann on July 17, "we must also demand the evacuation of Casablanca and we shall never get support for that. Occupation of South Morocco would bring us into direct conflict with England as well as France; and I do not know how we are to find the means for such a proceeding. So the only course is to get something in the nature of compensation by brusque negotiation; for that is the only way we can hope to avoid intervention from outside." It may seem surprising that two experienced statesmen should not have considered these consequences before sending the *Panther* to Agadir, but German diplomacy is full of these surprises, and it was characteristic of Kiderlen Wacchter that he should have thought "brusque negotiations" on top of that stroke to be a safe way out of the dilemma in which he had landed himself.

3

London in the meantime was waiting for an answer to the communication which Grey had made to the German Ambassador and, knowing nothing of what was going on behind the scenes in Berlin, suspected and feared the worst. The idea that silence prolonged over three weeks meant merely that the Germans were wondering what to say occurred to no one. So on the afternoon of July 21, when Lloyd George came over from the Treasury to the War Office and produced from his pocket a passage dealing with Agadir which he proposed to deliver in a speech he was making at the Mansion House that evening, Grey "cordially agreed." It was a very strong passage and couched in much more rhetorical language than Grey himself was accustomed to use:

I conceive that nothing would justify a disturbance of international good-will except questions of the gravest national moment. But if a situation were to be forced upon us in which peace could only be preserved by the surrender of the great and beneficent position Britain has won by centuries of heroism and achievement, by allowing Britain to be treated, where her interests were vitally affected, as if she were of no account in the Cabinet of nations, then I say emphatically that peace at that price would be a humiliation intolerable for a great country like ours to endure. National honour is no party question. The security of our great international trade is no party question. The peace of the world is much more likely to be secured if all nations realize fairly what the conditions of peace must be. And it is because I have the conviction that nations are beginning to understand each other better, to appreciate each other's points of view more thoroughly, to be more ready to discuss calmly and dispassionately their differences, that I feel assured that nothing will happen between now and next year which will render it difficult for the Chancellor of the Exchequer in this place to respond to the toast proposed by you, my Lord Mayor, of the continued prosperity of the public purse.

These words delivered the same evening, caused a sensation all over the world. A special point was added to them because the man who spoke them was reputed to be the leader of the pro-German and pacifist section of the Cabinet. If he spoke thus, there could be no question about the strength or unanimity of British opinion. Not for years had the sabre been thus rattled in England.

Agadir now became a crisis and one of the first order. On July 25 the German Ambassador came to the Foreign Office with a written communication from his Government which complained of the speech as having "a tone of provocation towards Germany" and answered threats with threats. Germany, it said, would be obliged, if her negotiations with France broke down, to "demand that the Treaty of Algeciras be kept and the *status quo ante* restored, whether that were agreeable to France or not. . . . If after the many provocations from the side of France and her free and easy manner in Morocco, as if neither Germany nor a Treaty existed, France should repel the hand that was offered her by Germany, German dignity as a great Power would make it necessary to secure by all means, and if necessary also alone, full respect by France for German Treaty rights." A conversation followed which, in reporting it to his Government, the Ambassador described as "within the bounds of diplomatic

etiquette" but which led Grey to warn the First Lord of the Admiralty that the British fleet might be attacked at any moment.

The tension lasted with little relief until the end of September. In the very week in August in which the Government was engaged in its last wrestling with the House of Lords and the whole of public attention was concentrated on that domestic struggle, the German Ambassador himself told me that war between our two countries was a serious possibility before the end of the week. In the middle of September the Foreign Office again warned the Admiralty that negotiations with Germany "might at any moment take an unfavourable turn," and that if they did the Germans "might act very quickly, even suddenly." If the negotiations were "brusque" they were greatly prolonged, the Germans demanding so much of the French Congo that no French Government could have conceded it, the French yielding a little under British pressure until at length an agreement was reached. Up to the last moment the thing swayed backwards and forwards and the War Offices and Admiralties stood to attention. The agreement was signed on November 14, and it was concluded only just in time to enable the King to sail to India for the great Coronation Durbar.

4

The Germans had made a reasonably good bargain, and if they seemed to come badly out of it it was only because their displays of the mailed fist had made it appear that they would be humiliated by anything less than a French retreat from Morocco. As things were, the general judgment was that they had been worsted in another attempt to break the Entente. An English writer need only record the judgment of German historians and critics. Herr Brandenburg calls the dispatch of the *Pauther* "an ill-considered act inspired by the mere craving for prestige and the desire to wipe out the reverse of Algeciras." Prince Bülow speaks of it as "a damp squib which startled, then amused the world and ended by making us ridiculous. After the leap of the *Pauther* on Agadir, there was a fanfare which on Lloyd George's speech died down in the most inglorious charade." Kiderlen Waechter himself admitted failure, but blamed the Kaiser, who, as Bülow reports him to have said, "throughout the whole

diplomatic campaign veered from absurd threats and demands to utter discouragement and pessimism leading on to unnecessary concessions."

5

The scrutiny of military plans which the Agadir crisis necessitated carried British preparations an important stage further. As soon as Parliament adjourned in August, 1911, Asquith summoned a special and secret meeting of the Committee of Imperial Defence to consider the military situation. Among Ministers, Grey, Haldane, Secretary for War, McKenna, First Lord of the Admiralty, and Winston Churchill were present. Churchill has left a vivid account of the scene, in which Army and Navy successively presented their views: Sir Henry Wilson, the Director of Military Operations, standing by an enormous map and unfolding the Schlieffen plan for the invasion of France via Belgium and advocating the immediate dispatch of six British divisions to reinforce the French, if war broke out; then Sir Arthur Wilson, the First Sea Lord, expounding from another map a quite different idea of the use of the British Army, the idea of a war mainly at sea with the army kept in ships, or ready to embark for raids on the German coast. The sudden revelation of this complete difference of opinion between Army and Navy at so critical a moment caused something like consternation among Ministers, and Haldane, the Secretary for War, went the length of saying that he would resign unless a Board of Admiralty was called into being which would work in harmony with the War Office, and implement its plan for carrying the six divisions to France on the outbreak of war.

The soldiers succeeded in persuading the majority that their plan was the right one, but the Admiralty stood strongly to the traditional blue-water view that the transport of an army to a foreign country before the enemy's fleet was engaged and disposed of was dangerous and strategically unsound. The decision fell to the Prime Minister who eventually gave his vote to the soldiers, with the rather ironic result that McKenna, who had carried through the great Dreadnought controversy of 1909 and was by common consent one of the best First Lords the Admiralty ever had, was sent ashore to become Home Secretary, and his place taken by Churchill, one of his chief opponents in the Dreadnought controversy. The appointment was a surprise,

for it had been taken for granted that if McKenna went from the Admiralty, Haldane would succeed him with a mandate to apply to naval administration the General Staff doctrine which had been his guiding principle at the War Office. But Asquith appears to have come to the conclusion that the appointment of Haldane would be a higher trial to the Admirals than it would be politic to put upon them at that moment, and Haldane went instead to the Woolsack, his place at the War Office being taken by Colonel Seely. These changes, and especially the appointment of Churchill to the Admiralty, were to have momentous consequences three years later, but the main point for the moment was that the plan which was put into operation on August 4, 1914, was now definitely adopted.

6

The King-Emperor's visit to India for the great Coronation Durbar in the winter of 1911 was an event of high importance in the history of the "Great Dependency," as in those days it could still be called without offence. Those who witnessed it still keep this occasion in memory as the stateliest and most impressive of all the pageants seen in their lifetime. A great company of ruling princes, chiefs, officers of State, leading men, landowners and magnates from all the Provinces of British India, and an immense number of humbler people who had come on pilgrimage from all parts of the country were gathered in the great camp outside Delhi, where for a fortnight the civil and military arms gave a symbolic display of the power and majesty of the Raj. The climax was reached in the great ceremonial of the Homage which took place in a vast open-air amphitheatre on December 12, when all the wealth and splendour of the East seemed to glitter and blaze under a cloudless sky. It was not all pageant and ceremonial. The King had two announcements of high importance to make : (1) that the partition of Bengal decreed under Lord Curzon's administration was to be annulled and the Province reunited, (2) that the capital of India was to be removed from Calcutta to Delhi.

The power which sovereignty still exercised over the great mass of the Indian people was strikingly seen on this occasion. Wherever he went the King-Emperor was accorded honours little short of divine by the multitude, and to all outward appearance his power

and that of his Government seemed unquestioned and unbroken. But there were forces at work below the surface which even then could not be disregarded. A year later when Lord Hardinge was making his first state-entry as Viceroy into the new capital, Delhi, a bomb was thrown which exploded in the howdah of the elephant on which he and Lady Hardinge were riding, severely wounding him and killing an attendant. By this time terrorist organizations were at work in Bengal and the Punjab, and the Indian politicians who worked through their Congress, while keeping within legal and constitutional limits, were more and more denouncing "alien-rule" and demanding that India should be permitted to govern herself.

The movement which led to this result had been going on, openly or surreptitiously, for more than thirty years. As far back as the 'eighties Lord Ripon had shocked administrators of the old school by introducing Municipalities and Local Boards with a preponderance of non-official members, but the waters closed over him and his reforms when he departed, and little was done to develop these new institutions. Under the Viceroynalties of his successors, Dufferin, Elgin, Lansdowne, administration ran placidly in the old grooves, and in the eyes of the public Indian questions were mainly those of the frontier and the defence of the country against the supposed aggressive designs of Russia. Then came the Viceroyalty of Lord Curzon, covering the first six years of the new century, which to the eye looking back from these times appears as the sunset of the old régime.

It was a distinguished and even brilliant sunset, which lingered in the memory of India long after its glow had departed. Curzon was a very able, zealous and laborious man, who sought to capture the imagination of Indians by timely displays of pomp and circumstance, and at the same time to confer on them the benefits which a benevolent despot might bring from the West. He believed in authority and the firm hand, but looked for a high standard of conduct from the British in their relations with Indians, and courageously braved unpopularity in enforcing it. His emissaries penetrated into Tibet and unveiled the forbidden city of Lhasa. He laid down comprehensive schemes of irrigation, reorganized education, braced up the Civil Service, remodelled the police, and was indefatigable in preserving

and restoring the ancient buildings and monuments of India. He created the North-west Frontier Province, and inaugurated the method of governing and controlling the frontier tribes which has survived all other changes. If India could have been governed in this way, it could hardly have been better governed than by Curzon.

But there was growing up under his feet a class of Indian intellectuals whom our own system of education had created, young men who had imbibed from the British text-books put into their hands ideas of liberty, law and free government very difficult to reconcile with the principles of benevolent despotism. Curzon had looked with distrust upon these new-comers and been at no pains to conceal his antipathy to some of them, especially the Hindu politicians of Bengal. In certain of his speeches he deeply wounded their feelings, and by the partition of Bengal delivered a blow at their local patriotism which they regarded as an act of war. They were partly conciliated when the King announced at the Great Durbar that Bengal would be reunited, but this too had its set-off in the simultaneous announcement, equally lowering to their pride, that the capital would be transferred from Calcutta to Delhi.

7

Curzon's Viceroyalty ended abruptly, after it had been specially prolonged, on a quarrel with another man, Kitchener, who was as strong-willed as himself. Kitchener, curiously anticipating his later self, wished to be his own Minister for War as well as Commander-in-Chief, and persuaded the home Government, in the teeth of Curzon's advice, to abolish the civilian military member of Council, who till then had been practically Minister for War, and to combine his functions with those of the Commander-in-Chief. Being overruled, Curzon resigned and came home with a serious grievance against his friends in the Imperial Government. With his departure reaction set in. All the aggrieved feelings of the political Indians now found vent, and unrest spread rapidly from Bengal to other Provinces. Congress now began to agitate openly and clamorously for political rights, and the Swadeshi movement for the boycotting of British goods made its appearance. The victory of the Japanese over the Russians, which seemed in Eastern eyes to prove that Eastern man was as good

as Western, had given a strong impetus to this movement, and the advent of a Liberal Government to power in Great Britain kindled hope.

This was the situation with which Morley had to deal when he became Secretary for India at the end of 1905, and which faced the new Viceroy, Lord Minto, when he landed in India a few months earlier. Morley was clear that the law must be enforced; he held strongly that India was not ripe for Parliamentary institutions, and told his friends that he would not be the instrument to create them. But his long association with Ireland had made him hate the word "coercion," and he described his policy as one of "law-enforcement combined with conciliation." Having armed himself with certain new legislation to enforce the law, he set to work on a scheme of reform. Minto, who was a man of great good sense, more than co-operated and was at times the leader rather than the pupil, and especially in the policy of appointing Indians to the Executive Councils.

The Morley-Minto reforms, as they are commonly called, made a beginning of representative—not Parliamentary—institutions. They reconstituted all the Legislative Councils by the addition of members directly elected and gave them wider powers of discussion. At the same time an Indian member was added to the Indian Council in London, and Indian members were appointed to the Governors' Councils in Madras and Bombay, and to the new Executive Councils created in Bengal and certain other Provinces. But though they might discuss and advise on any matter of public interest, including the annual Budgets, none of these Councils had any executive power. That remained intact in the hands of the Viceroy and the British Civil Service.

This measure passed the Imperial Parliament in 1909 and combined with the conciliatory policy of the Viceroy, it relaxed the strain and prepared the way for the welcome given to the King in December, 1911. By reviving the sentiment of loyalty, the great Durbar of 1911 contributed powerfully to the friendlier feelings which led an all but unanimous India to rally to the Empire in the Great War. But the war itself interrupted the natural evolution of Indian politics and set the new forces in motion with which the present generation has to deal.

CHAPTER XXXV

IRELAND AGAIN

1912

I

IT might have been supposed that Ministers would give themselves at least a brief period of repose after the months of fierce controversy and racking anxiety in home and foreign affairs through which they had passed between January and October, 1911. It was not so. Parliament met again on October 24 and immediately plunged into the far-reaching and elaborate scheme of sickness and unemployment benefit of which Lloyd George was the principal author. This was planned to provide for 15,000,000 workers and to do so in such a way as not to displace the existing Friendly Societies, Trade Unions and other mutual aid associations. All the insured were to be encouraged to enrol themselves in one or other of these societies, which, on giving proof of their solvency, were to be registered as "approved Societies" and to become the administrators of the Insurance fund, but those who preferred could obtain their benefits through the Post Office. The scheme was compulsory and contributory, the employer contributing 3*d.* a week for each employee, the male employee 4*d.*, the female 3*d.*, and the State 2*d.* For all insured persons medical attendance and drugs were to be free and treatment in sanatoria was also provided.

For unemployment the provision was only tentative and experimental. A beginning was made with certain trades which were specially liable to fluctuations—building, engineering, shipbuilding, iron-founding and the like—and provision made for unemployment benefit at the rate of 7*s.* a week, on the basis of one week's benefit for every five contributions with a maximum of fifteen weeks in any one

year. The contributions were to be 2½d. a week each from employer and employed, and a third added by the State to the joint contributions of these two. The number covered by this part of the scheme was about 2,250,000 including some 10,000 women. The scheme in its inception was very largely an effort to even out the wages of the seasonal trades, the fluctuations of which were regarded as inevitable in good times as well as in bad. This aspect of it still continues and needs to be distinguished from the relief of exceptional or chronic unemployment.

So far as the sickness and invalidity part of the scheme is concerned, the machinery provided is now part of an accepted order which is taken for granted. But when first proposed it encountered mountains of opposition and prejudice. Popular newspapers declared it to be vexatious, unworkable and, above all, un-English. Trade Unions needed to be satisfied that in playing their part, they would not jeopardize their independence or mortgage for insurance the funds they had collected for industrial purposes. Doctors strongly objected to the proposed panel system as taking out of their hands what they regarded as their "private practice." The *Daily Mail* painted frightening pictures of housewives brought under the tyranny of "stamp-licking" and exposed to unknown pains and penalties if they made a mistake. A great protest meeting of domestic servants and their employers was held in the Albert Hall. The extremist Labour men, influenced by Keir Hardie, looked with suspicion on the whole scheme as an attempt to bolster up the "capitalist system," which, in their opinion, needed to be ended not mended.

The Opposition were moderate in their criticisms in Parliament and the Bill passed through both Houses without substantial alteration before Parliament was prorogued. In the country the agitation was much more formidable, and nothing could prevent the question from becoming an issue between parties. Unionist speakers asserted that the workers were being vexed and harried by the new principle of compulsory contributions; Lloyd George replied that they were getting "ninepence for fourpence" which brought down on his head scathing rebukes for this "unblushing political bribery." The Government lost one by-election after another, and for some weeks it was in doubt whether the whole scheme would not break down on the opposition

of the doctors, who protested that the 4s. per patient proposed for them under the panel system was insufficient. It was undoubtedly too low and the Government finally met their case by raising it to 9s.

But by this time it had been discovered that a new system affecting every household in the country could not be instituted by merely passing an Act of Parliament and leaving it to work itself. By the beginning of 1912 the "Insurance Committee," of which C. F. G. Masterman, one of the ablest and most zealous of the younger Ministers, was chairman, was at work all over the field, familiarizing the public with the scheme and incidentally defending the Government. This Committee, like the Budget League of the year 1909, marks a stage in the new art of Government propaganda which was to be immensely developed in the subsequent years.

2

Thanks to these efforts the tide turned in 1912, and the propagandists were able to report that the new system was winning its way to acceptance by the public. But in the meantime there had been other serious causes of social unrest. In August, 1911, the public were faced with a sudden and unexpected railway strike which threatened to paralyse the entire trade of the country and to cut off its food supplies. Asquith intervened at once with a warning that the Government would use all means to keep the railways open, with a hint of the gravity of the situation in foreign affairs, and a promise to submit the questions in dispute immediately to a Royal Commission. This sufficed for the time being and the strike was called off after two days, but not before the public had learnt something of the meaning and consequences of a railway stoppage, and had had its attention called to the very real grievances of the lower-paid grades of railway labour. Six months later, at the end of February, 1912, there was an only less serious emergency when the Miners' Federation, an organization which now embraced all districts, called a strike covering the whole area. This too threatened the most serious consequences if it was prolonged. For a fortnight the Government laboured in vain to bring the parties to terms, and both miners and mine-owners rejected its proposal that wages should be fixed for the various districts by conferences with independent chairmen. The miners wished minimum wages to be

laid down by Act of Parliament ; the mine-owners objected to all interference between them and their employees. The Government then embodied its proposals in a Bill and passed it through Parliament in a week. On this the Miners' Federation took a fresh ballot of their members, and, though there was still a majority for holding out, they decided that it was not sufficient to justify them in continuing the strike. The men were back at work by the beginning of April, but in a sullen and discontented frame of mind which boded ill for their future relations with employers who, on their side, stood blindly and stubbornly on what they conceived to be their rights.

3

The Unionist party, meanwhile, was in a state of great confusion. Leadership which had suffered such disasters as followed the rejection of the Budget in 1909 naturally came under scrutiny, and Balfour found himself the target of an excited press campaign, inspired on one side by disappointed Tariff-reformers, and on the other, by angry Die-hards. That " Balfour must go " (B.M.G.) and the clever strategist and amiable dilettante be replaced by a fighter and bruiser who would deal with " Asquith and his crew " as they deserved was their demand ; and on November 8 Balfour himself took them at their word by handing in his resignation as leader of the Unionist party, while retaining his seat in the House of Commons. In a speech to his constituents of the City of London he explained that he had taken this step for physical reasons—lest without being aware of it he should fall a victim to a malady of advancing years which he described as " petrification " and be unable to adjust himself to the changing circumstances. To keep well in advance of this and not " run the margin too fine " he considered it to be his duty (November 8).

Asquith, speaking the next day at the Lord Mayor's Banquet, declined to deliver a funeral oration over " a career of which he hoped and believed there were still many chapters to be written by the pen of history." It would be long, he said, before there was seen again in public life " a personality so invaluable to his friends, so formidable to his foes, so interesting and attractive to friends and foes alike, or such a unique combination of gifts and powers as has made Mr. Balfour by universal consent the most distinguished member of the

greatest deliberative Assembly in the world." These words were carefully chosen and dwelt justly on the quality in which Balfour was unique among the public men of his time, of "being interesting and attractive to friends and foes alike." His sword-thrusts were so neat that opponents often felt it a compliment to be wounded at his hands.

The two favourites for the succession to the leadership were Mr. Walter Long and Mr. Austen Chamberlain, but when it appeared that the choice of either would divide the party, both gave way in favour of Mr. Bonar Law, an ardent advocate of Protection, who was supposed to be a "first-class fighting-man." The new leader lived up to his reputation in his first speech delivered at the Albert Hall in January. In that he spoke of the Government as "humbugs" and "artful dodgers" dealing in "trickery" and "cant" and going down the steep place like the Gadarene swine.

4

With the opening of Parliament on February 14, 1912, the stage was set for the most formidable of all the Government's tasks—the final attempt to settle the Irish question by the establishment of a subordinate Parliament in Dublin. All the anger and bitterness generated in the constitutional struggles of the previous year were now to be concentrated on the question of Ireland. The Unionist party was unrepentant in its opposition to Home Rule in any form and, if anything, had hardened in its attitude in the twenty-six years that had elapsed since Mr. Gladstone's first effort. The Liberals were in a position in which, though they had a clear majority over the Irish, they were liable to be evicted from office if the Irish voted against them; and their opponents alleged that they were acting under this compulsion. They replied that Home Rule had been their policy for a generation; that the unsolved Irish question was a standing danger to both countries and to the Empire, that the sands were running out, and that it was urgently necessary to find a solution while there was yet time. If it was true that the Government was under compulsion to satisfy the Irish, it was also true that to satisfy them was in the public interest, and the more so at this moment than at any time since the policy was laid before the country.

The Bill which Asquith introduced on April 12 followed in the main the previous Bills, transferring purely Irish questions to the Irish Parliament and reserving to the Imperial Parliament all questions touching the Crown, army and navy, foreign policy, the making of peace and war and new Customs duties. There were to be two Chambers, a Senate of 40 nominated members and a House of Commons of 164 members, of which in the Bill as introduced Ulster was to have 59. The Irish members were to be retained in the British House of Commons but reduced in numbers to 42, roughly one for every 100,000 of the population. In introducing the Bill, Asquith said that he regarded it "as the first step and only the first step in a large and more comprehensive policy" by which the Imperial Parliament would be set free from local cares and burdens.

The Bill was well received by the Irish members, and a National Convention which met in Dublin on April 23 passed a resolution "welcoming it in the spirit in which it was offered" and declaring its "solemn conviction" that its passage into law would "bind the people of Ireland to the people of Great Britain by a union infinitely closer than that which now exists and by so doing add immeasurably to the strength of the Empire." At the same time there reached Mr. Redmond a stream of congratulations from the self-governing Dominions. General Botha, General Smuts, Sir Wilfred Laurier, the Prime Minister and the leader of Opposition in the Australian Commonwealth, and many other men of influence and power in the Dominions declared their conviction that the measure was just and in the interests of the Empire.

This was less than ever the opinion of the Conservative Imperialists in the Mother country. These now declared their intention of carrying resistance to all lengths and at all costs. The House of Commons sat in continuous session until the end of January, 1913, and passion rose to a white heat as the Bill fought its way through its various stages. On one day in November the House became a bear garden in which all speeches were drowned in cries of "traitors" and "rats," and a leading member of the Opposition seized the Speaker's copy of the Standing Orders and threw it at the First Lord of the Admiralty (Winston Churchill) who was struck on the side of the face and bruised. The Bill passed its third reading on January 16,

1913, and then went to its expected fate in the House of Lords where it was rejected on second reading by a majority of 257.

5

In the former days this would have been fatal and final and Home Rule would for another long period have become a lost cause. But the Parliament Act was now in force, and the Bill would automatically become law if passed in two successive sessions by the House of Commons, in spite of its rejection by the House of Lords. To secure the defeat of the Government, or the withdrawal of the Bill before this period elapsed, became now the resolute purpose of the Unionist party. This was a legitimate aim so far as it was pursued by Parliamentary and political methods, but before the year 1912 was over it became clear that, if these failed, the Unionist leaders were prepared to transfer the struggle to a physical battle-ground on which not merely Home Rule but the entire Parliamentary system and civil order would be at stake. The question now was whether the Government could or would meet it on the same ground. The answer or failure to answer this question was to determine the whole future course of the Irish question for generations to come.

The chief hope of the Opposition and the greatest difficulty of the Government lay in the attitude of the six Protestant counties of Ulster, whose objection to Home Rule was a mixture of racial, religious and historical antipathies beyond reason or argument. In framing their Bill Ministers had debated anxiously whether the six counties should be omitted from it, but there were strong arguments against omission at this stage. First, that the Irish Nationalists, being deeply pledged to the principle of an undivided Ireland, would have been bound to reject any measure introduced in this form; second, that there was no probability that Unionist opposition to Home Rule for the other parts of Ireland would be bought off by this concession. Just as the Nationalists asserted that their cause was one covering north and south, so the Unionists replied that their resistance extended to all Ireland and that they would even be guilty of special baseness if they sold the Unionists of South Ireland for a concession to the North. Ministers decided that though the concession might have to be made at a later stage, it could not be made when the Bill was introduced.

But we certainly did not foresee the lengths to which Ulster would go and call for the support which it would receive from the Unionist party in the form which its defiance was to take. In 1886 when Gladstone introduced his first Home Rule Bill Lord Randolph Churchill had said that "Ulster would fight and Ulster would be right," but this had not been taken seriously. The idea of any part of the United Kingdom resisting by force an act of the Imperial Parliament seemed fantastic to the great majority of Englishmen in 1886; and in 1912 it only very slowly dawned on Asquith and his colleagues that this was actually the intention of the Ulster leaders and that the leaders of the Unionist party were prepared to support them in giving effect to it.

A Liberal Government was least fitted to meet such an emergency. All its principles and traditions rose up against the use of force to suppress opposition to a proposal on which sharp controversy was inevitable and legitimate. In the particular case no objections to forcible measures were stronger than those of Irish Nationalists who had all their lives been fighting "coercion," and represented that they would be in a false and even ludicrous position if they appeared to invite or sanction the use of the weapon against their political opponents in Ireland. The quarrel, they said, was a domestic one, and the intervention of the British, reviving the Crimes Act, prosecuting political opponents, putting them in jail, would make everything worse. Leave it to the Irish and in due time they would settle with one another.

The advice was congenial to Ministers, and in the early days they were thought to have shown good sense in turning the blind eye to the threatnings of Ulster. Not to take them tragically seemed the best way of preventing them from becoming tragic. Moreover, the Law Officers advised that unless the Crimes Act were re-enacted, the legal ground would be extremely insecure, and that if prosecutions were undertaken under the ordinary law almost any jury would be certain to disagree. But while the Government looked the other way the situation rapidly slipped out of control. On July 28 Bonar Law, the newly appointed leader of the Unionist party, told an excited

audience at Blenheim that "there was no length of resistance to which Ulster might go in which he would not be ready to support them." In the meantime violence was spreading in North Ireland and beginning to boil up in the South. At the end of July the Chief Secretary reported to the House that "outrages of a terrible character had been committed and that men who had been driven from the Belfast shipyards in an exhausted and even dying condition were attacked again. The result was that 2,000 Catholics and 500 Protestants had been compelled to leave the yards, not from lack of courage, but upon the friendly advice of their fellow-workmen who assured them that their lives would not be safe if they remained."

On September 28 a mass meeting was held near Belfast at which an immense number signed a "Covenant" pledging themselves to "use all means which may be necessary to defeat the present conspiracy to set up a Home Rule Parliament in Ireland." "All means" was understood from the beginning to include resistance by force, and the Covenanters punctuated that meaning by using military terms and surrounding themselves with the apparatus of war. The famous Lord Roberts, lately Commander-in-Chief of the British Army, gave the movement his support and patronage, and presently recommended a senior officer, Lieut.-General Sir George Richardson, K.C.B. "who had learnt to know men and war, fighting Afghans and Pathans on the North-west Frontier of India"¹ to command the Ulster Volunteer force, the strength of which was to be 100,000 men. The whole process greatly resembled that by which Herr Hitler in after years with the aid of officers of the former Imperial army collected the force that finally overthrew Parliamentary government in Germany.

In the meantime Sir Edward Carson, a distinguished Irish lawyer and former Attorney-General in a Unionist Government, was chosen as leader of the movement and he had for his "aide-de-camp" and "galloper," Mr. F. E. Smith, another distinguished lawyer and a future Lord Chancellor. Carson had said before he started for Ireland that he intended to "break every law that is possible," and Smith said that he "would not shrink from the consequences of his convictions, not though the whole fabric of the commonwealth be convulsed." Mr. Walter Long, another Unionist leader, told the

¹ "Life of Lord Carson," Vol. II, 187.

the apparatus was there—military formations, uniforms, flags, oaths, smuggling of arms, threats, open or veiled, to the lawful authority assumed to lack either the will or the power to take up the challenge. Then, following on this, the inevitable speculation as to what the regular army would do, if it were called upon to vindicate authority; and confident calculation by the Ulster party and its friends in England that the army would not obey if ordered to act against the Northern Volunteers.

The Government could have no certainty on this point. The veteran Lord Roberts, most distinguished of British soldiers, had given his patronage to the Ulster movement and nominated its Commander-in-Chief. The Ulstermen were fervent in their professions of loyalty to the Throne and stigmatized their opponents as rebels engaged in a conspiracy against King and Empire. The theory was thrown up that the policy of Home Rule was rebellion against the Sovereign who was supreme guardian of the unity of the Empire, and that all loyal subjects, and especially soldiers who had sworn allegiance to the Sovereign, had a duty to resist it. The question was hotly debated in messes and barracks all over the country, and many excellent officers were reported to be in a state of conscientious perplexity between their allegiance to the Sovereign and their duty to the Government.

The Ulster leaders and the leaders of the Unionist party considered themselves at liberty to use all methods in working on these doubts and fears and in pursuing their own military schemes. They had spies in the Government camp and "friends and well-wishers in Ministerial circles, who kept them informed of what was under consideration." A "member of a household where Ministers were accustomed to meet socially and informally at all hours and discuss matters with considerable freedom"¹ wrote regretting that he had been unable to "get hold of" a report which Mr. McKenna was reading to other Ministers but giving the substance of what he had heard about Ministerial plans. More important, they had within the War Office an agent of unsleeping activity in Sir Henry Wilson, the

¹ "Life of Lord Carson," by Ian Colvin, Vol. II, p. 320. Presumably the "member of the household" was a domestic servant. Mr. McKenna assures me that there never were in his house discussions of this kind and that he never had in his hands or read out to his colleagues reports of the nature indicated.

audirector of Military Operations, who made full confession of his Ulster methods in his subsequently published Diaries. These show him to have been in constant and intimate association both with the Ulster leaders and with the leaders of the Unionist party. On March 13, 1913, he saw an officer from Ulster visiting London "on deputation to Bonar Law," who had told him "of the plans for the North, of 25,000 armed men to act as citadel, and 100,000 men to act as constables, the arrangement for the banks, railways, etc., election, provisional government and so on," and all these he had found "very sensible." At the end of January he had visited Ulster and entered in his Diary, "the arrangements of the Ulster army are well advanced, and there is no doubt of the discipline and spirit of the men and officers. I must come over again and see the troops at work." Early in March he had an hour's talk with Mr. Bonar Law who convinced him that "desperate measures are required to save a desperate situation." The Director of Military Operations was thus directing the operations of the Ulster army from within the War Office.

CHAPTER XXXVI

ON THE EDGE OF CIVIL WAR

1912-13

I

THE state of discipline within the War Office being such as has been described in the last chapter, it is scarcely surprising that the military authorities faltered and blundered in their efforts to deal with the situation. Early in December, 1913, the Chief of the Imperial General Staff and the Adjutant-General reported to Colonel Seely, who had succeeded Lord Haldane as Secretary for War in the previous year, that "so many efforts were being made to seduce officers and men from their allegiance that there was a real danger of indiscipline in the army." Thereupon Colonel Seely summoned the G.O.C.s in England, Scotland and Ireland, and while assuring them that the Government had "no intention of giving outrageous and illegal orders to the troops" and that "there would be no question of enforcing the Home Rule Act on Ulster and indeed such an event would probably never happen," yet said that the possibility had to be faced of "action being required by H.M.'s troops in supporting the civil power and in protecting life and property when the police were unable to hold their own." From the moment explanations of this kind became necessary discipline was on a slippery slope, as was soon to be proved. In answer to an appeal from Sir Arthur Paget, the Secretary for War conceded that officers domiciled in Ulster would be permitted to "disappear" without prejudice to their prospects or promotion if the army was called upon to deal with disturbances caused by the Ulster Volunteers. This proved a fatal mistake. It would have been one thing to give the Commander-in-Chief discretionary power to deal privately with specially hard cases; it was

quite another to set up an Ulster test for the army serving in Ireland. When it was once decided that officers domiciled in Ulster should be at liberty to decline service which might bring them into collision with the Ulster Volunteers, the question was bound to arise what would happen to others not domiciled in Ulster who might have equally strong objection to serving against the Ulster Volunteers.

It did arise three months later. By this time the Government had come to the conclusion that precautionary measures were necessary to prevent certain depots of arms and ammunitions from being rushed and had instructed the War Office accordingly. At the same time the First Lord of the Admiralty decided to move a battle squadron and a flotilla from Arosa, where they were cruising, to Lamlash, whence they could rapidly reach Belfast. Exaggerated rumours of these operations caused great excitement and Sir Arthur Paget thought it necessary to summon his officers to the Curragh and make the situation plain to them. He now (March 20) had in his hands the following instructions from the War Office :¹

The War Office has authorized the following communication to officers :

1. Officers *whose homes are actually in the province of Ulster* who wish to do so may apply for permission to be absent from duty during the period of operations and will be allowed to "disappear" from Ireland. Such officers will subsequently be reinstated and will suffer no loss in their career.

2. Any other officers who from conscientious motives are not prepared to carry out their duty as ordered, should say so at once. Such officers will at once be dismissed from the Service.

To the special indulgence permitted to officers domiciled in Ulster there was thus added the rider that all others must make their choice—either to obey orders or be dismissed from the army. To leave no doubt the meeting was adjourned from the morning till two in the afternoon when the officers were requested to bring their answers.

The position now was this. Instead of taking for granted that his officers would obey any lawful orders issued to them, the Commander-in-Chief had asked them to exercise their judgment on certain hypothetical orders that might be issued to them—which meant in effect on the policy of the Government. When the meeting reassembled in

¹ "Life of Lord Oxford and Asquith," Vol. II, p. 43.

the afternoon Brigadier-General Gough and fifty-seven officers (out of a total of seventy) of the 3rd Cavalry Brigade replied that they preferred to be dismissed.

2

News that the army had "mutinied" came like a thunderclap the next morning, causing consternation in the public and wrath in the House of Commons. Eloquent speakers adjured the Government to assert its authority and that of Parliament over the rebellious soldiers. The debate ran to extreme lengths of passion and recrimination. Unionists charged the Government with having plotted a massacre of Ulster loyalists which had only been averted by the patriotic action of the officers. Liberals retorted that Unionists were engaged in a conspiracy to subvert the constitution and seduce the army from its allegiance. Millions felt that the issue was the gravest which had been raised in their time. Asquith, who had turned the blind eye not only to the proceedings in Ulster but to the plans of his own War Office, showed his mettle at this point. As Prime Minister he was bound to vindicate authority; as a lawyer and constitutionalist he was scandalized on learning what had happened at the Curragh. How was it possible that a commanding officer should have put a question to his officers about the legal orders of the Government—about their possible action in hypothetical circumstances? A question, moreover, which required them to pass judgment upon the policy of the Government? He judged that the officers had been most unfairly treated and that to visit them with dismissal for answering according to their conscience a question which ought never to have been put would be grossly unfair.

In the next few hours he drew up and caused to be published as an Army Order a memorandum which may be taken to this day as defining the correct relations between army and executive Government:¹

1. No officer or soldier should in future be questioned by his superior officer as to the attitude he will adopt, or as to his action, in the event of his being required to obey orders dependent on future or hypothetical contingencies.

¹ "Life of Lord Oxford and Asquith," Vol. II, p. 44.

2. An officer or soldier is forbidden in future to ask for assurances as to orders which he may be required to obey.

3. In particular, it is the duty of every officer and soldier to obey all lawful commands given to them through the proper channel, either for the safeguarding of public property or the support of the civil power in the ordinary execution of its duty, or for the protection of the lives and property of the inhabitants in the case of disturbance of the peace.

The officers who had been ordered to report to London, expressed their willingness to discharge their duties as defined in this order, and therefore "to proceed to any part of Ireland, either for the protection of Government property or for the assistance of the civil power in the maintenance of order and the preservation of peace." They were accordingly ordered to rejoin their regiments in Ireland. But not before another chapter of accidents had caused a second crisis. Colonel Seely, the Secretary for War, had added to the order an assurance that His Majesty's Government had no intention of taking advantage of its right (to use the forces of the Crown) to "crush political opposition to the policy or principles of the Home Rule," and this had been initialled by Sir John French, the Chief of the Imperial General Staff, and Sir Spencer Ewart, the Adjutant-General. On seeing this addition Asquith immediately took objection to it on the ground that it infringed the principle implied in the order that there should be no questioning between officers and the superiors about a "hypothetical contingency." Whereupon Colonel Seely, Sir John French and Sir Spencer Ewart thought it necessary to resign their offices not, Asquith has left on record, "from any difference between their view and that of the Government"; the two latter because they had initialled the cancelled part of the Memorandum; and Colonel Seely, in order (as he stated in the House of Commons) "that it might not even appear that a Minister of the Crown had made a bargain with servants of the Crown as to the terms of their service."¹

Asquith had no easy task in convincing the House of Commons that this was not in fact what the Government had done, and if he had not been able to point to the steps which he and the Cabinet had taken to correct the waverings of the military mind on the principles of the British Constitution, his position would have been

¹ "Fifty Years of Parliament," Ch. VII.

hopeless. Even so, the incident opened dangerous lines of thought. Labour members were quick to point out that if officers could play this game for a cause in which they were interested, the rank and file might presently play it when called upon to deal with civil disorders of a different kind from those contemplated. In a long-remembered speech Mr. John Ward quoted from a syndicalist leaflet issued that morning (March 22) asking soldiers to remember that officers had exercised an option in obeying orders and calling upon them to resolve that they would never fire a shot against their own class.

The War Office being vacant Asquith decided to take it himself, and was returned unopposed on presenting himself to his constituents. "The army," he said in his one speech on this occasion, "will hear nothing of politics from me and in return I expect to hear nothing of politics from the army." The expectation, he said later, "was fulfilled. During my short tenure at the War Office my relations with the military authorities and with those under their control were throughout of complete cordiality and mutual confidence.", In view of what was coming, to restore confidence between Government and Army was by this time a matter of urgent importance to the nation.

3

The incident just recorded had brought controversy very near the throne. For the second time in his brief reign the King saw himself becoming the centre of the storm. Prayers, remonstrances, petitions, letters by the thousand from the great and from the humble, poured in upon him, begging him to do something to save the situation. The elder statesmen, especially those who were out of office, were prolific in advice and interpretations of his constitutional duties. All strove to be impartial, but their view of what the King ought to do generally coincided with what they wished him to do. Lansdowne advanced the theory that, since the Parliament Act had deprived the House of Lords of the power of forcing an election, that power now reverted to the Crown. He was persuaded that the King would only be doing his duty if he either dissolved Parliament, or required a referendum on Home Rule. He declared the exclusion of Ulster to be "absurd and impracticable," and was of opinion that the trouble which was feared in South Ireland would be negligible if the whole Bill were rejected.

Balfour made the subtle suggestion that the King could safely dissolve Parliament if he issued a proclamation explaining that "though impartial or even agreeing with his Ministers," he yet thought the country should be consulted. Several distinguished people tried their hands at drafting proclamations which they wished him to address to his subjects. Rosebery, more wisely, advised him to assemble a conference to procure a settlement "which would not indeed satisfy Ulster, for that would be impossible, but which would satisfy the conscience both of Ulster and Great Britain." Bonar Law said frankly that whatever course he took the King could not avoid responsibility and the risks attaching to it. Some said that if he supported the Government he would be associating himself with civil war; others that if he supported the Opposition he would be associating himself with rebellion.

The King listened patiently to all these voices, but came wisely to the conclusion that his first duty as a Constitutional Sovereign was to bring the leaders of parties together and prevent them from landing him or themselves into the catastrophe that threatened. In this he was indefatigable, and a chance meeting of Crewe and Bonar Law on the neutral ground of Balmoral in the autumn of 1913 led on to further meetings between Asquith and Bonar Law and eventually between Asquith and Carson. These leaders frankly confided to one another the difficulties they were in with their respective parties, and their sense of the public mischief which threatened from their respective proceedings. Behind the scenes—in their rooms at Balmoral or in Sir Max Aitkin's house at Leatherhead—they revealed a disposition for peace which could not have been inferred from their attitude on the platform. Asquith judged Bonar Law to be by nature a peaceable and kindly man who was "a reluctant and conscientious fire-eater in public." Of the two he found Carson, whom he saw on December 16, to be on the whole less pessimistic. "Carson dwelt on the need of a real settlement which would not be followed by continued agitation. He suggested that the specified Ulster counties should be excluded until the Imperial Parliament should otherwise determine in pursuance of some general scheme of devolution." Asquith made the counter suggestion that "no legislation in the Irish Parliament on any matter of importance should become effective in the Ulster

area against the will of a majority of Ulster representatives unless submitted to and approved by the Imperial Parliament," but this remained unanswered and on January 22, 1914, he received a letter from Carson "flatly refusing anything short of the exclusion of Ulster"—the "clean cut" as it was called.

4

Evidently the situation was not ripe for the conference which the late Lord Chancellor, Lord Loreburn, had suggested in a letter to *The Times*, but some advance had been made. The ground had been shifted from opposition to any sort of Home Rule to Home Rule on the basis of excluding a part of Ulster yet to be defined, either temporarily or permanently. Very reluctantly and under great pressure the Irish Nationalists were induced to accept this as a possibility. But now came the new problem of defining "Ulster" and the conditions under which it should be excluded. There were many alternatives—inclusion at the beginning with an option to go out after x years, exclusion at the beginning with an option to come in after x years, the ultimate decision to be by the Imperial Parliament or by the people of Ulster, etc. At the beginning of March there was still deadlock on these questions, but on March 9, when the Home Rule Bill was presented for second reading on the third and last occasion under the Parliament Act, Asquith announced his intention of introducing an Amending Bill giving the Ulster people the right of voting themselves out for six years. Carson would have none of this. He described it as "sentence of death with stay of execution for six years"; "Give us a clean cut or come and fight us" was now his cry.

The question had now been fined down in the public eye to the exclusion of the Ulster counties, the definition of these and the conditions under which they should stand out or come in. Asquith, who was a man of reason, was confident that when this was understood the very idea of an appeal to arms would be universally condemned. He was encouraged in this belief by the revulsion of feeling which followed the Curragh incident and the sudden sense of danger it had awakened in both parties. At the end of April there was an almost emotional scene in the House of Commons when Carson replied to an appeal from Churchill for a friendly settlement that he "was not

very far from the First Lord." If Home Rule passed his "most earnest hope would be that it might be such a success that Ulster might come under it and good-will might arise in Ireland, rendering Ulster a stronger unit in the federal scheme." Once more a settlement seemed to be in sight, but a strong counter-current set in during the following weeks. More than ever the Southern Unionists were protesting that to settle with Ulster on the basis of giving Home Rule to the rest of Ireland would be to throw them to the wolves. Carson was reminded of his assurance in the early days that to concentrate upon Ulster would be a sure way of defeating Home Rule for any part of Ireland. Instead of holding their hands the Ulster leaders pressed forward with their audacious scheme of smuggling arms into Ireland from Germany, and their agent in Hamburg shipped a cargo of munitions into a tramp steamer, the *Fanny*, transhipped it off the Welsh coast into a collier, which landed it at Larne on the night of April 24.

Hearing of this exploit, the veteran Lord Roberts "rubbed his hands" and said "he could not have done it better himself." The Ulster Commander-in-Chief, Sir George Richardson, said "the Mausers are little beauties, being fascinating weapons—and very popular."¹ All congratulated themselves that "the British Government was disarmed and the Ulster Loyalists were armed." The same impression had incidentally been created in Germany.

Such was the background against which the Government proceeded to their final efforts in negotiations. The two parties were ostensibly going forward with the delimitation of the parts of Ulster to be excluded, exchanging and correcting each other's maps. This and the conditions under which Ulster might eventually come in were what the Government supposed to be the only outstanding matters—a natural supposition after the language which Carson had used on that subject. It seems, nevertheless, to have been a misunderstanding. Carson, his biographer tells us, "had no faith in half measures between Union and Separation, and if he supported the exclusion of Ulster from the Home Rule Bill, it was only as a means to wreck that measure."² It is not easy to reconcile this with the language that

¹ "Life of Lord Carson," Vol. II, pp. 375-6.

² *Ibid.* Vol. II, p. 381.

Carson had used in the House of Commons or the impression he had made upon Asquith in their private talks, but if it was only half-true it is small wonder that the conference which the King summoned to Buckingham Palace on July 27 proved as abortive as all previous parleys. It sat for four days considering "the possibility of defining an area to be excluded from the operation of the Government of Ireland Bill," and being unable to agree either in principle or in detail adjourned *sine die*.

Nevertheless, the impression made on the public both by the conference and the previous debates in Parliament, was that only the delimitation of the Ulster boundary and the terms on which the excluded part might vote itself out or vote itself in stood between parties. The Government now proposed to amend its original amending Bill by omitting automatic inclusion after a term of years, and substituting for it the fresh power of option which Carson himself had proposed at the Buckingham Palace Conference. At this point the controversy was suspended by an even greater one. But Asquith himself was sanguine that if the public realized that no sort of coercion was proposed for the Ulster area, there would be general condemnation of any party which plunged the country into civil war for the differences that remained, more especially as the general election which the Unionist party were demanding would come in the natural course of events in the following spring. Whether he was right about this, or whether passions had been unloosed which were beyond conciliation by Parliamentary means, can now be only a matter of conjecture. Since the beginning of 1914 South Ireland had been arming and drilling with the same energy as North Ireland, and with the same immunity. At the end of July it even capped the Ulstermen's exploit by landing a consignment of arms in broad daylight at Howth, near Dublin. But by this time guns were going off in another part of the world, and the curtain fell on the Irish scene leaving all its problems in suspense.

The resistance of Ulster to Home Rule deserves detailed study, if only because it was the first of the many organized challenges to Parliamentary Government which have been witnessed in modern

times. By July, 1914, the doctrine of the unlimited Sovereignty of Parliament held without question by all parties in the nineteenth century had received a severe check. Parliament was seen groping along the edge of the unmapped boundary which divides the things which can from the things which cannot be settled by argument and reason. Politicians were discovering that unless at the end of the process of debate and the exhaustion of such methods of obstruction and resistance as the rules of Parliament permit, a minority would consent to be overruled, the whole structure of Parliamentary Government was in peril. It had been shown that an Opposition which was prepared to transfer the argument to the plane of physical force, could with an ease altogether unsuspected till this time paralyse the Executive and bring the country within sight of civil war.

Whether the leaders of the Unionist party intended or realized these consequences when they pledged themselves to go all lengths in support of the Ulster movement may well be doubted. Whenever the curtain is lifted we see the leaders of both parties in dismay at the results of their own conduct and the intransigence of their followers. Both said with reason that even if they compromised with one another, they had forces behind them which had passed beyond control. Behind the Government were not merely the Parliamentary Irish, but extremists of all patterns welcoming the opportunity of an appeal to arms. Behind the Unionist party were not merely Carson and his Volunteers but a powerful British section who held all methods to be lawful against the authors of the Parliament Act, and saw in the Irish question the chance of a final engagement in which the lost ground would be recovered. It would be a mistake to treat the Ulster question as a purely Irish issue. It was in fact the continuance and climax of the struggle between the Radical and Conservative forces which had been going on continuously since the beginning of 1906, and which was to be prolonged in Ireland through war and rebellion until its inglorious finish in 1921.

It was fated that Ireland should be the exception to the otherwise unstinted praise which has been passed upon Great Britain for good sense, tolerance, give and take in the management of her domestic affairs. Irish politics never could be brought within the framework of British Parliamentary Government. They aroused emotions,

memories, animosities which were barely intelligible to the English. A tolerable settlement with Ireland on the basis of a subordinate Parliament in Dublin might have been achieved at any time between 1886 and 1914 if the leaders of British parties could have agreed that Southern Ireland should have Home Rule, and a special settlement be made for Ulster. Failing that, the Liberal party was threatened with a rebellion in North Ireland, and the Unionist party with a rebellion in South Ireland. The Unionist party during their years of power were temporarily in a stronger position to deal with Southern Ireland, since they could rely on the support of the army, but the advantage was only temporary, as the event proved. Faced with the problem of treating South Ireland as an enemy state to be reconquered by force of arms, a predominantly Conservative Government preferred almost any alternative. Ireland was too near to be treated as an enemy, and too alien to be absorbed within the British system.

CHAPTER XXXVII

THE WOMEN'S MOVEMENT

1912

I

TO the unrest and bitterness of these months was added the agitation of the militant suffragettes now also reaching its climax. While the Ulstermen were arming and drilling, the militant women were breaking windows, setting fire to houses and even churches, slashing pictures, destroying objects in the public museums, making pandemonium in public meetings. A woman sacrificed her life by dashing forward and seizing the reins of a horse during the race for the Derby at Epsom in June, 1913. Others were constantly engaged in struggles with the police, who exercised great forbearance under much provocation. Foreigners looking on asked in amazement what had happened to the British people. Where was their ancient sobriety, orderliness and good humour?

The women, or those of them who attached importance to winning the suffrage, had undoubtedly a serious grievance. In all spheres but the political their movements had made greater strides than in almost any country in the world. They had great educational institutions of their own, they had won equality of status with men in the University of Oxford and come near it at Cambridge; they had obtained an equal footing with men in most of the learned professions, they not only voted but were eligible to election on local authorities. They had seen a large number of the laws which treated women and their property as the chattels of men removed from the Statute-book. But on the political ground their movement seemed to be blocked beyond hope. Time after time Bills for their enfranchisement had been carried on their second reading in the House of Com-

mons. but invariably after this stage had been shelved. The older and greatly respected leaders of the movement, Mrs. Fawcett, Dr. Garrett Anderson, and others, had deeply resented this, but had seen nothing to do except maintain an ineffectual protest, and hope gradually to undermine opposition.

Paradoxically the reason why Woman Suffrage was blocked was that it was not and could not be made a party question, since the dividing line between supporters and opponents cut across parties. Without Ministerial support a Bill raising so large an issue as the enfranchisement of women could not be carried through its various stages in both Houses of Parliament. But no Prime Minister, even if he was favourable to the cause, as both Balfour and Campbell-Bannerman were, could give it his official support without causing a dangerous schism in his Cabinet and probably in his party. There were Liberal Ministers as well as Conservatives who were prepared to resign office rather than depart from their belief that democracy stopped short at women, and of the two the Liberal dissentients were, if anything, the more obstinate.

2

Early in the twentieth century, the more ardent women began to say that this was an intolerable position. They had tried all the ordinary methods of suasion and agitation without result. Year after year they had been put off with academic debates on Private Members' Bills, and been told that they must wait for a more convenient season. The time, they said, had come for them to act and act forcibly, as men would do in like case. In 1903 Mrs. Pankhurst, the widow of a Manchester lawyer, who had more than once presented herself as a Socialist and Republican candidate for Parliament, founded a new organization, the Women's Social and Political Union, with the special object of appealing to working women; and a year or two later this announced its intention of defying law, propriety and convention in a determined effort to force the issue of the suffrage. The constitutional suffragists, as they continued to call themselves to distinguish them from the "Suffragettes" of the new movement, were shocked, and the immediate result was, as they predicted, to stiffen the backs of their male opponents. For the first time in

twenty years Woman Suffrage Bills were rejected by the House of Commons on their second reading both in 1910 and 1911.

But if this was the effect in Parliament, outside it the new kind of agitation had received an immense advertisement and was rallying to the cause large numbers of impulsive and active-minded young women who had never given it a thought till then. The methods they adopted were an incessant worry and perplexity to the Government, which hesitated to apply to women the measures which would have been visited without scruple upon men in like case. The women rushed past the police and invaded the House of Commons until it was compelled in self-defence to close its doors to "strangers." By chaining themselves to railings in the streets and even to the "grille" in the Ladies Gallery of the House, they defied all ordinary efforts to "move them on." When imprisoned, they went on hunger strike, and put the Home Secretary in the painful position of having either to release them or let them die in prison. Special legislation, dubbed the "Cat and Mouse Act," which enabled him to release them and take them back again, had to be passed to meet this emergency. Not a few delicately nurtured and sensitive women thought it an imperative duty to play their part in these proceedings to the ruin of their health and their peace of mind. The movement evoked a passion for martyrdom in many of its adherents. In its peculiar combination of ardent zeal and cool strategy it surpassed any agitation hitherto planned by the male sex.

3

The cause received a last blow in the miscarriage of the male franchise Bill which the Government introduced early in the session of 1912. Asquith, who was personally opposed to Woman Suffrage, had promised to give facilities to private members to propose amendments which if carried would have granted it in this Bill, and was willing to leave the decision to a free vote of the House. To his dismay he found this course barred by a decision of the Speaker, who ruled that the introduction of any such amendments would require the whole Bill to be withdrawn and a new Bill drafted. Asquith thereupon dropped the entire Bill deeming it impossible to go forward with a new franchise for males alone without breaking faith with women.

Though their own hopes were disappointed, the women had the consolation, for what it was worth, of having blocked any further advance in male enfranchisement. The war ended this, like all other agitations, and when it was over most of the male opponents withdrew their opposition, declaring themselves to have been converted by the magnificent work done by women during the war. It may be surmised that a natural repugnance to renewing the conflict on the lines on which it had been conducted in the last years before the war played a part in this conversion. The Franchise Act of 1918 gave household franchise to women of thirty and upwards, thus adding eight million women to the register, which by this time contained thirteen million male voters. In 1928 Baldwin's Government wiped out the last discrimination between male and female by reducing the age limit for women to 21. From this time onwards the register contained an actual majority of female voters.

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Another question which added to the agitations and disturbances of 1912 was the "Marconi scandal" as it was called at the time. Time has softened the memories of this affair, but it still has its importance in the history of Ministerial morals.

The facts were briefly these. In 1911 the Imperial Conference recommended the establishment of a chain of State-owned wireless stations within the Empire, and in the following year the Postmaster-General accepted the tender of the Marconi Company for the construction of these subject to subsequent ratification by Parliament. Under pressure of business, consideration of the matter was postponed to the autumn, but in the meantime ugly rumours were flying about.

Mr. Godfrey Isaacs, the Managing Director of the Marconi Company, was a brother of Sir Rufus Isaacs, the Attorney-General, and it was suggested that the Postmaster-General, Sir Herbert Samuel, had corruptly favoured the company, and that in addition to Sir Rufus Isaacs two other Ministers, Mr. Lloyd George, the Chancellor of the Exchequer, and the Master of Elibank, Government Chief Whip, had had dealings in its shares on inside knowledge not available to the public. A spectacular rise in the shares of the company which followed when the news of the contract became known added to

the atmosphere of suspicion and, when the autumn came, the Government thought it desirable to appoint a Select Committee to inquire not only into the desirability of the contract on its technical side, but into all circumstances connected with its negotiation and completion. In the debate on the appointment of this Committee, all the Ministers concerned made what the House took to be a complete denial of the charges and imputations against them, and the matter was generally thought to be disposed of.

In February of the following year, 1913, the Paris paper, *Le Matin*, repeated the allegations, whereupon Sir Herbert Samuel and Sir Rufus Isaacs immediately brought an action, with the result that the newspaper withdrew and made a full and frank apology. This was the end, so far as Sir Herbert Samuel was concerned, and it was agreed that he had been the victim of a baseless slander. But in the course of this action Sir Rufus Isaacs' counsel (Sir Edward Carson) explained that on April 17—six weeks after the tender had been made public—his client had bought shares in the American Marconi Company and had sold 1,000 of these shares to Mr. Lloyd George and another 1,000 to the Master of Elibank, neither of whom at the time "knew anything about the shares," and had probably never heard of them. Sir Rufus, acting as a friend, had recommended them as a good investment, having nothing whatever to do with the British Marconi Company, which was handling the contract, and they, like himself, had acted innocently in that belief.

If these Ministers had made that explanation to the House of Commons in the debate of the previous October, probably nothing more would have been said than that the transaction was imprudent and ill-considered, considering the possible misconstructions that might be placed upon it. But this sudden disclosure of an unsuspected fact caused great astonishment, and the Committee proceeded to its work of investigation in an atmosphere highly charged with suspicion and recrimination. It sat till June, 1913, and reported in a blue-book running to 600 pages. The majority report, adopted by eight votes to six, held that the charges against Sir Rufus Isaacs and Mr. Lloyd George were "absolutely untrue," that they acted throughout in the "sincere belief that there was nothing in their action which would in any way conflict with their duty as Ministers of the Crown," and

that "the American company had no interest direct or indirect in the proposed agreement with the British Government." A minority report, prepared by Lord Robert Cecil, while agreeing that the Ministers had not been deflected from their duty by any interest in the Marconi Company or any other company, yet held that their purchase of the American Marconi Company's shares was "a grave impropriety," and that the American company was substantially, if indirectly, interested in the Government's agreement with the British company.

When the Report came to be debated in the House of Commons, the Opposition moved a vote of censure on the Ministers concerned, "regretting their transactions in the shares of the Marconi Company of America and their want of frankness in their communications on the subject in the House." The Ministers themselves took some of the sting out of this attack by saying frankly that they too regretted these transactions and were of opinion that they had made a serious, though innocent, mistake in not disclosing them to the House in the previous October. The vote of censure was rejected by a majority of 346 to 268 after Asquith had improved the occasion with a discourse on Ministerial ethics in which he acquitted his colleagues of any serious or intentional offence, but held that they had not "fully observed" the unformulated "rule of prudence" enjoining avoidance of all transactions which could "give colour or countenance" to the belief that they were doing anything which the "rules of obligation forbid." This was substantially the view of Balfour, who while supporting the vote of censure, went out of his way to dismiss the charge of corruption as "perfectly futile and absurd from the beginning, and unworthy of the consideration of the House." In the end the House agreed, to an amendment in which it "accepted the expressions of regret" on the part of Ministers that they had engaged in these transactions, acquitted them of acting otherwise than in good faith, and reprobated the charges of corruption brought against them.

Balfour was undoubtedly right in declaring it to be absurd to found charges of corruption on the transactions revealed in this inquiry. But the general opinion at the time was that the Ministers had had a narrow escape. Not so many years previously innocent infringements of the "rule of prudence," as Asquith called it, had been fatal

to more than one man in public life, and the Cæsar's wife doctrine had been rigidly enforced upon Ministers of the Crown. Asquith's view was, in the particular case, that the only penalty he had it in his power to inflict was grossly in excess of the offence, and this view was generally taken by the newspapers. But he said in after days that no incident in his public life had caused him greater distress or anxiety.

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A considerable part of the session of 1912 was occupied with the Welsh Disestablishment Bill introduced by the Home Secretary on April 23. Feeling had somewhat cooled on this subject in the seventeen years since Asquith himself, then Home Secretary, introduced the first Bill for this purpose. There were still Albert Hall and Hyde Park demonstrations, and a few still spoke of disestablishment in any form as "sacrilege" and "robbery of God," but the main argument centred upon the question whether Wales was a nation or a national unit in the sense that she could fairly demand to be treated differently from the rest of Great Britain. If she was, her case was complete. Three-fourths of her people were Nonconformist; her general spirit was Nonconformist; her history was drenched in Nonconformity. For generations the great majority of Welsh men and women had regarded the Anglican establishment as an alien body, which had been forced upon them by the predominant partner. In reply the Anglicans argued that the principle of an established Church was good *per se*, good for Wales as for other countries, even though she did not recognize it; that Wales was an integral part of the national unity and that her dissenters had no more right to extrude the Church than dissenters in Cornwall or Yorkshire; that in short the four Welsh dioceses were an inseparable part of the English Church, which would suffer a wrong if it were dismembered. In essence the argument was the same as had been advanced against the disestablishment of the Irish Church forty-five years earlier. The Bill was rejected by the Lords in 1912 and 1913, but became law under the Parliament Act in 1914. Disendowment went with disestablishment, but on moderate terms which saved the rights of all existing incumbents and these terms were further mitigated by an amending Act in 1919. The secularized parts

of the Church endowments were applied to national purposes, mainly education. It was the general verdict in after years that the dis-established Church had faced the new situation with courage and good sense, and that it had gained in spiritual life and vigour from a change which enabled it to work on a friendly footing with the Welsh people.

CHAPTER XXXVIII
TOWARDS THE FINAL CRISIS
1912-13

I

WE must now turn back to consider the events in Europe which ran parallel with the domestic history recorded in the last few chapters.

On its way through the Mediterranean the ship which took the King-Emperor to India for the great Durbar came within hailing distance of Italian cruisers and transports conveying an army to Tripoli. As already related, the Agadir crisis had been wound up only just in time to enable the King to keep his engagement in India, and these cruisers and transports marked the beginning of the new series of events which was to lead up to the great war.

Grey had been right when he said that, if the annexation of Bosnia-Herzegovina in defiance of the Treaty of Berlin were condoned by the other Powers, it would set an example which would be fatal to their peace. It had broken the spell which, since the Treaty of Berlin, had caused them to respect something called "the integrity and independence" of the Ottoman Empire, and openly advertised the fact that that Empire was in dissolution. The sick man of Europe had been an unconscionable time dying, but his extremity was now an open secret, and if one of the expectant heirs took advantage of it the example was certain to spread.

"Compensation" was now the watchword. It was said that the balance of power in the Balkans had been disturbed by the action of Austria-Hungary, and that the adjacent countries were entitled to redress it by helping themselves to other portions of the Turkish Empire. Italy had a special grievance. Again and again she had

been given to understand that if she would exercise patience she would be permitted in due time to occupy Tripoli. France had said so when she took Tunis, and Britain when she decided to remain in Egypt. In the last treaty of the Triple Alliance, Germany and Austria had promised their active support to Italian policy in North Africa which could only mean Tripoli. It was all that remained of the North African coast, now that France held Morocco, Tunis and Algiers, and Britain Egypt. But, whenever Italy broached the subject, all had said wait for a convenient season, which was never now. In the summer of 1911 she decided to wait no longer and went to work in the way usual in dealing with the Turks, complaining of hardships and grievances suffered by Italian subjects, and after a short interval of ill-tempered sparring, presented an ultimatum which peremptorily demanded the occupation of Tripoli.

The German Emperor who, as in the case of Bosnia-Herzegovina, was the last to be informed of the intentions of his Ally, was very angry, and for a few hours talked in a heated way of a Continental League to stop Italy and be even with Great Britain, whom he wrongly supposed to have incited the Italians. His Ministers remanded him that he too was pledged to support Italian policy in North Africa, and he was perforce compelled to accept the accomplished fact. It was, nevertheless, another heavy blow to his favourite policy of friendship with the Turk, and he complained bitterly that both his Allies had in the space of three years acted in total disregard of his cherished policy of German-Turkish co-operation.

The other Governments had by this time cooled in their sympathy with the Turks. In England, Grey was disillusioned with the new Turkish régime, which after three years seemed as incapable as the old of restoring order and instituting reforms, and he had no *locus standi* for intervening, such as the infraction by Austria of the Treaty of Berlin, had given him in the affair of Bosnia-Herzegovina. Italy was within her right if she chose to declare war on Turkey, and in view of their own records none of her neighbours was in a position to throw stones at her. All decided to look on, but there were many anxious and some angry spectators of her action. The irrepressible Conrad von Hötzendorf, Chief of the Austrian General Staff, was of opinion that his Government should seize the moment when she was

entangled in Tripoli to fall upon Italy and extinguish for ever her designs on the Italian provinces of Austria-Hungary and her ambition to dominate the Adriatic coast. Achrenthal and the aged Emperor cried "Nein, nein"; they were at that moment engaged in delicate negotiations for the renewal of the Triple Alliance, and it was embarrassing that their chief military adviser should be talking in this strain about one of its members. Conrad thereupon resigned his post and went into temporary retirement, proclaiming at the top of his voice that his superiors had again balked him of his "favourable moment."

Russia was only less embarrassed. For some months she had been toying with the idea of bringing Turkey into a Balkan Alliance and guaranteeing her against further encroachments on condition that she opened the Straits and otherwise conformed to Russian policy. A project of this kind was actually launched unofficially in Constantinople by Tchariof, the Russian Ambassador, but the Turks were now in the worst possible mood for these blandishments, and they rejected them so peremptorily that the Ambassador had to be recalled (March, 1912).

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Being thus rebuffed, Russia fell back on the obvious alternative of rallying the Balkan clans against the Turk under her leadership. Here the way was open and plain. Whoever else might waver, the militant spirits in the Balkans were clear that their moment would come when Turkey had exhausted her credit and weakened her military power on a vain resistance to the Italians. As the Tripoli campaign went forward, the Balkan States worked feverishly to prepare a fighting alliance to fall on the Turks as soon as the Italians had done with them. Venizelos, the Greek leader and Prime Minister, was indefatigable, and Hartwig, the Russian Minister in Belgrade, used all his influence to abate the mutual jealousies of Bulgaria and Serbia which till now had been the chief obstacle to a Balkan combination. In this he was powerfully aided by Gueshoff, the Russophil Bulgarian, who had become Prime Minister in Sofia, and their joint efforts resulted before the end of March, 1912, in two secret treaties; one between Serbia and Bulgaria, and the other between Bulgaria and Greece. Greece in substance adhered to the first of these treaties, to which

Montenegro also was a party. For the first time in their history as autonomous States, the Balkan nations were united in a fighting Alliance.

Russia was at the back of it and her leadership was writ large in the Serbo-Bulgarian Treaty. She was to be informed if or when these two States "considered military measures to be necessary." The Tsar was to arbitrate in any differences of opinion between them and any final delimitation of boundaries was to be submitted to him. Sazonoff, the Russian Foreign Secretary, appears to have relied on these stipulations to keep the situation under Russian control and, if we may believe Poincaré,¹ he had kept his French Ally very imperfectly informed. Poincaré relates that, when he visited Petersburg in August, 1912, and was for the first time shown the text of the Serbo-Bulgarian Treaty, he observed that "it in no way corresponded to the description of it which had been given to him" (presumably in the previous weeks), to which M. Sazonoff replied that he himself had only learnt of it at the beginning of May. The answer does not bear examination, for it is beyond belief that Serbia and Bulgaria would, without consulting Russia, have assigned to her the part she was made to play in the treaty. Poincaré was not appeased and, according to his own account, he said bluntly that "the treaty was a war agreement," and that "the hopes of Serbians and Bulgarians appeared to have been encouraged by Russia and that the eventual partition proposed had been used as a bait for their covetousness."

When faced with the facts, Sazonoff himself became alarmed. Russia did not want war, and she was not prepared for war. Her "favourable moment" had not yet come. She seems seriously to have relied on what Sazonoff called her "right of veto" implicit in the treaty. But events in the Balkans do not wait on diplomatic vetoes, and by this time Serbians, Bulgarians, Greeks and Montenegrins were all sharpening their weapons and talking loudly of the coming war. Sazonoff now started on a round of visits to European capitals in an endeavour to stir the other Governments to joint action on the parallel lines of maintaining the *status quo* in the Balkans and inducing the Turks to make concessions. He came to London and visited the King at Balmoral and repeated his assurances about the

¹ "Origins of the War," p. 115.

Russian veto. Joint notes were in fact issued by the Powers warning the Balkan States to keep quiet and urging the Turks to make reforms. But while Sazonoff was talking, King Nicholas of Montenegro, always a law unto himself, suddenly attacked the Turks and fired the powder-magazine (Oct. 9, 1912). Russia might lay the train, but it was not within her power to time the explosion.

3

That was far more shattering than any of the onlookers had either hoped or feared. By the end of October the Turks had been defeated in every battle and were falling back on the Chataldja lines for the defence of Constantinople. At the beginning of December they concluded an armistice, and both parties sent delegates to London to negotiate a peace. This speedy and complete¹ debacle was scarcely less embarrassing to Russia than to Austria. Russia wished her protégés to prevail, but within limits which would keep them amenable to her influence, and the ease with which they had done their own business without calling for her aid, and even in defiance of her known wishes, was not at all to her liking. Bulgaria seemed quite to have lost her head, and the upstart Tsar Ferdinand was actually reported to be talking of pushing on to Constantinople and getting crowned in Ste. Sophia. Sazonoff told Poincaré that if the Bulgarians occupied Constantinople the whole Russian Black Sea Fleet would appear before the Turkish capital.

The blow to Austria-Hungary was even heavier. She had watched complacently in the confident belief that, even if they were not beaten, the Serbs would be so exhausted by their struggle with the Turk as to be out of action for years to come. Instead they had been instantly victorious and their songs of triumph were raising dangerous echoes among the millions of disaffected Slavs in the Monarchy. Conrad was now more than ever convinced that he was right in urging that Austria should get in front of the coming trouble, and he urged from his retirement that she should now issue a note to the Powers intimating that she would resort to arms, "be the result what it may," if Serbia "persists in her challenging attitude, if she ignores the interests of the Monarchy and denies it satisfaction for her lawless intentions."¹ Again

¹ "Aus Meinen Dienstzeit," Vol. II, p. 314.

the old Emperor held back and Conrad was told to mind his own business.

But the Balkan struggle was by no means at an end. In January, 1913, while the negotiators were at work in London, Enver Bey, with a junta of officers, rushed into the Chamber at Constantinople where the Council of Ministers was sitting, denounced the proposal to surrender Adrianople and shot Nazim Pasha, the Turkish Commander-in-Chief. Thereupon the Peace Conference broke up, and the war was continued until the end of March when Adrianople fell. The Allies then accepted the mediation of the Powers, who appeased Austria by excluding Serbia from Albania in the treaty which followed. Balking of her ambition to secure a port on the Adriatic, Serbia sought compensation by a revision of the boundary agreed between her and Bulgaria. The Tsar offered his services as arbitrator, as provided in the Serbo-Bulgarian Treaty, but before he could act, the Bulgarians delivered a treacherous blow at their Allies and rushed for Salonica, which had been awarded to Greece. Rumania, which till then had held aloof, now made common cause with Serbs and Greeks and before the Powers could intervene, paralysed Bulgaria and compelled her to accept the dictated Peace of Bucharest, which not only deprived her of the chief part of the fruits of her victory over the Turks, but compelled her to cede most of the Dobruja on the Black Sea littoral to Rumania, and gave Kavala, the port on the Aegean which she greatly coveted, to Greece. As a last blow, the Turks profited by the occasion to retake Adrianople. The Bulgarians had a real grievance, but they had forfeited all sympathy by attacking their former Allies before the Tsar could play the part assigned to him as arbitrator.

The Austrians were now more than ever alarmed and endeavoured in vain to persuade the Powers to revise the Treaty of Bucharest. But Bulgaria by this time had few friends. She had incurred the suspicions of the Tsar by her scarcely veiled ambition to occupy Constantinople, and Tsar Ferdinand was in ill-odour with the German Kaiser, who found plausible reason for supporting his Hohenzollern relative, King Carol of Rumania. The Balkan Alliance was now broken by a bitter feud between Bulgaria and her former partners, which was to have far-reaching consequences in the Great War.

Having failed to stop the war, the Powers did the next best thing by accepting Grey's idea of a conference to prevent its spreading to themselves. Grey wanted the conference to be in Paris, but Poincaré resisted this. His reason, as he afterwards explained, was that since it was to be composed of Ambassadors, Isvolsky, who was now Russian Ambassador to France, would have to be a member of it if it met in Paris, and that he would ruin it by his vanity and trickery. Grey with some reluctance agreed to its meeting in London, which automatically made him chairman, and eventually, as the most disinterested member, mediator and honest broker between the others. It met at the beginning of December at the London Foreign Office, and continued to sit until the middle of August the following year. Its members were, beyond Grey himself, the Ambassadors of the five Powers, Paul Cambon for France, Lichnowsky for Germany, Benckendorff for Russia, Mensdorff for Austria, and Imperiali for Italy, men intimate with one another and sufficiently removed from the scene of action to take a dispassionate view. The material they dealt with changed from week to week, even from day to day, and their business was to prevent the Balkan fire spreading to the great Powers. That meant watching over the whole scene and improvising methods at critical moments. It was known that Austria was determined that Serbia should not set foot in Albania or get to the Adriatic, and that Russia would resent more than a certain degree of pressure upon Serbia. The King of Montenegro played the part congenial to him of forcing hands, and his insistence on occupying Scutari raised the question of how to get him out without offending Russia or let him stay without infuriating Austria. Discussion revealed all the difficulties of international action. Russia was willing that the Montenegrins should be coerced, but not to be seen in the business herself; Austria was ready to send troops; we objected to troops but were inclined to a naval demonstration. "Eventually," as Grey records, "a blend of the threat of coercion and the offer of money compensation settled the matter to the satisfaction of Austria, perhaps also to the satisfaction of the King of Montenegro, and this danger to European peace was laid to rest."¹

¹ Grey, "Twenty-five Years," Vol. I, p. 271.

There were questions of the Albanian frontier, questions of the Turkish islands in occupation of Italy, and sundry small points which threatened a renewal of trouble. All these were amicably settled. But what the six Powers could not do was to make peace between the Balkan Allies and Turkey, or keep the peace between these Allies and Bulgaria. Turkish and Balkan delegates also were in London and sitting within a stone's throw of the Ambassadors, who abounded in good advice, but Grey said afterwards that he "could not remember that any advice of the kind was ever of any use, even when it represented a consensus of opinion of the Powers and was backed by irrefutable arguments." The passions of the Balkans were seldom amenable to argument.

Grey won golden opinions by his conduct of these affairs, and even the Germans seemed at length to believe what their Ambassador had told them from the beginning, that he was honestly striving for peace. This conference was in fact the nearest approach in pre-war Europe to the procedure which a League of Nations might be expected to adopt when a local conflict threatened a much greater conflagration. Unhappily, it had no permanence, and in August, 1913, when the immediate emergency seemed to be over, it faded out of existence. "It did not occur to any of us," says Grey, "to suggest that we should be kept in existence as a conference, a body ready to be called together at any moment, to which future Balkan, or indeed any troubles between the great Powers, might be referred. We could not have suggested this officially ourselves; it was not for us as a body to magnify our importance. Still less could the British Secretary for Foreign Affairs have proposed that there should be a permanent body in London, with himself as President, to settle Continental troubles. . . . In agreeing to a conference and forming one in 1912, it was as if we had all put out anchors to prevent ourselves from being swept away. The anchors held. Then the current seemed to slacken and the anchors were pulled up. The conference was allowed to dissolve. We seemed to be safe. In reality it was not so; the current was the same and in a year's time, we were all swept into the cataract of war."

5

It might have been better for the world if Grey had been a different sort of man who would have insisted at this point on maintaining the

London Conference and claimed for Great Britain an equal right to be heard with the other Powers in the developments that were now coming. For with the winding up of the conference she ceased to have any control over the events which in the next twelve months were to involve her and all the great Powers in the same war. Grey's diplomacy was correct, but it touched few of the larger issues as they were now shaping between Russia on the one side and Austria and Germany on the other. He kept his balance between the European groups, supported Austria in insisting that the decisions of the London Conference should be carried out, reprimanded the Serbs when they crossed the Albanian border and burnt Albanian villages, and gave considerable umbrage to France and Russia by refusing to go the lengths that they desired in opposing the appointment of the German General, Liman von Sanders, as supervisor of the Turkish Army. But all this lay outside the essential play of forces which was to bring the great crisis—the unsleeping competition of Triple and Dual Alliance for the adhesion of the Balkan States, the argument of the Vienna war-makers that the risk of war with Russia was rather to be invited than declined, the increasing agitation and discontent of the Slavs of Austria-Hungary. Great Britain makes almost no appearance in the voluminous records of these months supplied by the German and Austrian Documents. This was strictly in accord with her idea of limiting her liability and anything else would have been condemned as meddling interference with remote affairs, but in effect it deprived her of the chance of influencing events in the outcome of which she was vitally interested. While acknowledging that her Entente with France made her to that extent a West European Power, she yet supposed that she could remain free of entanglements with Eastern Europe.

Feverish and intricate games were now going forward in the Balkans, and there was no possible combination which did not occur to some fertile brain on one side or the other. Bulgarians and Turks were alike in the market; France and Russia were imploring Serbs and Greeks to make the concessions necessary to appease the Bulgarians and buy the Turks; the Central Powers were bribing both to remain within their constellation and threatening Rumania with dire penalties if she seceded. In after years each of the groups

accused the others of having conspired against it in the Balkans and both in a sense were right, but in the situation which was now developing all alike would have considered themselves wanting in duty if they had neglected any opportunity of strengthening their own side and weakening that of their opponents. Poincaré had been loud in his complaints of the lack of candour with which he had been treated by his Russian Ally, and he was at times in despair at the imprudence and inconsequence of Russian policy, but to support Russia, when she knew her mind, he considered absolutely essential to French security, and in these months French diplomacy co-operated intimately with Russian in the Near East. Thus the Alliance system worked and was bound to work in the world of armed nations.

It must be acknowledged that the fears and misgivings of Austrian statesmen were amply justified. They had failed to solve their internal problems. Germans and Magyars lived uncomfortably together in the Dual Monarchy, and the other races were seething with disaffection. Trialism, federalism, and all other solutions which might have pacified the discontented, or mitigated coercion, had been blocked by the dominant aristocracies: Parliamentary Government had broken down in scenes of violence and uproar; police and justice were deeply discredited. Beyond all doubt, the victory of the Balkan States and the emergence of Serbia as a new Power was a deadly menace to this crumbling Empire. The victorious Serbs were at no pains to conceal their ambitions, and to millions of the disaffected within its borders their shouts of triumph were like the cries of an army coming to relieve a beleaguered garrison.

CHAPTER XXXIX

THE HALDANE MISSION

1912

I

WHEN the Agadir crisis was over, Asquith assured the House of Commons that a "complete and satisfactory settlement" of the quarrel with Germany had been reached. It was, therefore, an extremely unpleasant surprise to him and his Government to learn that the Germans were about to produce a new Navy Bill making increases in their fleet which would require an additional expenditure by the British Admiralty of at least £3,000,000 per annum if the margin of safety was to be maintained. They had received what they thought to be a definite assurance from the German Ambassador that no further increases were contemplated, and were now under the necessity of telling Parliament that the Germans had misled them.

This was the aftermath of Agadir. In a debate in the German Reichstag, the Government had been reproached for its "meek retreat" before the "humiliating challenge" of Lloyd George's Mansion House speech, and Tirpitz had been quick to seize the occasion to point his eternal moral. England was the enemy, England who had incited the French to resist the reasonable demands of Germany, and who would only be brought to reason if Germany had a fleet comparable with her own. For the past two years, as was revealed at the Berlin Conference of Ministers in 1909, Tirpitz had been preparing for a fresh advance in 1912 and this was his opportunity.

International finance is popularly supposed to have been actively at work promoting war during these years, but in fact whenever we are able to look behind the scenes, the international financiers are

seen going to and fro in a vain endeavour to induce politicians to keep the peace. In these months Sir Ernest Cassel, the English financial magnate, and Herr Ballin, the chief organizer of German mercantile shipping, were in constant communication with each other about the possible ways of building a bridge between their two Governments, and at the end of January, 1912, Cassel visited Berlin and brought back with him a cordial invitation to the British Government to send one of their members to confer with German Ministers. Everything was to be informal, but the Prime Minister was assured that their invitation was issued "with the approval if not at the instance of the Kaiser."

The Cabinet were willing and unanimously chose Haldane as their representative. He was acceptable to the Kaiser, talked German fluently and knew intimately all the questions, naval, military and political which had arisen between the two countries. In his "Memoirs" ¹ the ex-Kaiser tells a fantastic story of what he supposed to have been the prelude to this choice—Grey and Churchill tumbling over each other in their eagerness to be appointed, and the Cabinet finally deciding that Grey should be held back for "the fireworks at the end" while the preliminary negotiations "up to the fireworks" were conducted by the Lord Chancellor. In fact Grey proposed that Haldane should go and there never was any other candidate. An innocent subterfuge of the kind in which the old diplomacy was fertile was invented to mark the informality of the occasion. Haldane, as Asquith explained to the King, "had occasion to go to Germany in his capacity of Chairman of the London University Commission to obtain first-hand knowledge of the German method of clinical teaching," and it was proposed that he should "at the same time be commissioned to see the Emperor and the Chancellor, and on the basis of the communications to feel the way in the direction of a more definite understanding."

The story is fully told in the British documents ² and in Lord Haldane's own narrative, which is confirmed on all substantial points by the biographer of Herr Ballin. The Chairman of the London

¹ "My Memoirs," p. 148.

² Gooch and Temperley, Vol. VI, Ch. XLIX; Haldane, "Before the War"; "Life of Albert Ballin," by Bernhard Huldermann, Ch. II.

University Commission was most amicably received and sat for hours with the Kaiser, the Chancellor and Tirpitz exploring the ground. Finally he brought back with him the text of the new Navy Bill and a proposal for a retardation of the programme of ship-construction in return for a political agreement. The naval experts sat up all night at the Admiralty examining the Navy Bill, which they pronounced to be worse than the worst they had expected. Not only did it provide for three new battleships and the creation of a third battle-squadron, but it proposed an addition to the personnel of the German fleet which by the year 1920 would mount up to 15,000. The Admiralty estimate was that the cost to the British taxpayer would be an additional £14,000,000 in the next five years, and even with the proposed retardation not less than £12,000,000.

2

Ministers were of opinion that the disclosure of this prospect to the British taxpayer would be an exceedingly unpropitious beginning of a *rapprochement* with Germany, and answered by requesting the German Government to "reshape its naval proposals in a form which would not call for a riposte from Great Britain." This seems to have had some effect, for on March 14 Haldane had what he described as a "remarkable interview" with the German Ambassador, which left on him the impression that "if we could offer them an acceptable formula the German Government was prepared not to press the provocative parts of the new Navy Law."

The search for a formula which now set in marks the final stage of the effort to build a bridge between Britain and Germany, and its various phases need careful study. The formula which Haldane brought back from Germany was as follows :

1. The High Contracting Powers assure each other mutually of their desire for peace and friendship.
2. They will not either of them make any combination or join any combination which is directed against the other. They expressly declare that they are not bound by any such combination.
3. If either of the High Contracting Parties become entangled in a war with one or more other Powers, the other of the High Contracting Parties

will at least observe towards the Power so entangled a benevolent neutrality, and use its utmost endeavour for the localization of the conflict.

4. The duty of the neutrality which arises from the preceding article has no application in so far as it may not be reconcilable with existing agreements which the High Contracting Parties have already made. The making of new agreements which make it impossible for either of the Contracting Parties to observe neutrality towards the other beyond what is provided by the preceding limitations is excluded in conformity with the provisions contained in Article 2.

The Cabinet was unanimous that this was unacceptable and proposed instead :

The High Contracting Parties assure each other mutually of their desire for peace and friendship. England will neither make nor join in any unprovoked attack on Germany and pursue no aggressive policy towards her. Aggression on Germany is not the subject and forms no part of any treaty, understanding or combination to which England is now a party, nor will she become a party to anything that has such an object.

The Germans replied by proposing to add :

England will therefore observe at least a benevolent neutrality should war be forced upon Germany.

or alternatively :

England will therefore as a matter of course remain neutral if war is forced on Germany.

There was in those days, as there is still, a well-founded scepticism about a belligerent's claim that a war has been "forced upon him." A belligerent had scarcely ever been known to go to war without asserting that he was under compulsion to do so. Evidently what the Germans had in view was to secure British neutrality in a war between them and the Dual Alliance, and the question for the Government was simply whether they would or could pledge themselves to that extent.

Legalists may argue that they could have done so without any formal infraction of the British-French Convention, which pledged them only to diplomatic support on certain defined ground which Germany no doubt would have been careful to avoid. But British Ministers were of course aware that the immediate consequence of any such

action on their part would have been the break-up of the Entente, and a *de facto* reversal of British policy in the eyes of all Europe. A pledge of neutrality to Germany would in fact have been a far more binding engagement and far more fettering to the liberty of Government and Parliament than any up to this time given to France. But beyond all legal and formal questions, the Government had to consider whether such a swing-over to the German side was in the interests of Great Britain. Upon this Asquith observed that "even if there had been no Entente at all, Great Britain would have been bound in her own interests to refuse it." It would, for instance "have precluded us from coming to the help of France, should Germany on any pretext attack her and aim at getting possession of the Channel ports." The Cabinet had no doubt that the pledge of neutrality should be refused.

3

The allusion to the possibility of the Channel ports falling into German hands reveals the inner fears of British Ministers at this time. So long as these were in French or Belgian hands, there was no fear for British security. But let them pass into the possession of a Power which was building a great fleet with the avowed object of challenging Great Britain at sea and the situation was at once perilous. For the last thirty years no one had trusted Germany not to renew her attack upon France, if she could effectually neutralize either of the Powers to whom France looked for support. It was the universal opinion in Europe that Bismarck would have done so at the time of the Boulangist agitation in 1887 if he had succeeded in obtaining the pledge of neutrality from Russia, for which he offered the heavy bribe of the free hand in Constantinople and the Straits.¹ Very few doubted that if Britain had not stood behind France in 1905-6 the Germans would have accepted the advice of their Chief of Staff, Count Schlieffen, to "seek the earliest possible thorough clearing up with France in arms."² Experience forbade optimism about German intentions if opportunity offered for this "thorough clearing up." In fact no British Government could have accepted the German

¹ G.P., V, No. 1063.

² Nowak, "Germany's Road to Ruin," p. 302.

formula in 1912 unless it was prepared to connive at a German conquest of France.

4

The formula was rejected, and by April, 1912, the final effort to build a bridge on the essential points of conflict between Britain and Germany had failed. With it was extinguished the last hope of a truce to the naval competition. The Kaiser was now more than ever convinced that the Haldane Mission was a trap and was confirmed in that opinion by the proposal of a "naval holiday" which Mr. Churchill threw out on a remote chance in the following year. This he characterized as "mere humbug." "It is out of the question for me to consider it. . . . I wish to see the whole endless and dangerous subject of the limitation of armaments rolled up and put away for good," he wrote to his Chancellor, Bethmann Hollweg. Churchill had kindled his wrath and heightened his suspicions by saying in a public speech that a fleet was a luxury for Germany, but a necessity for Britain. The words may not have been well-chosen, but it was a disaster for the Kaiser that he failed to recognize the truth that lay behind them.

British Ministers were deeply disappointed, but the Kaiser miscalculated when he flattered himself that he had shown them the error of their ways. Failing agreement with Germany on the naval question, they were more than ever compelled to rely on the co-operation of the French. In view of the German increase it became necessary to concentrate the greater part of the British fleet in home waters, and to arrange with France for the maintenance of the necessary supremacy in the Mediterranean. Tirpitz congratulated himself on having "ended the British control in the Mediterranean," but what he had in fact done was to create a closer partnership between French and British than any that had yet been undertaken by either. The division of labour by which the French undertook to concentrate the chief part of their fleet in the Mediterranean, while we concentrated the chief part of ours in the North-Sea, threw upon us a positive obligation to defend the north and west coasts of France if the Germans attacked them. The Germans realized this two years later when in their last bid for British neutrality they promised not to attack the northern

coasts of France if we would stand out. Undoubtedly the making of these dispositions was of the highest importance, and I have elsewhere expressed the opinion that if the final link in the chain of circumstance, policy and strategy which gradually bound Britain and France together is to be found at any particular point, it will be found here.

It was only at this moment, if we may believe the records left by some of its members, that the majority of the Cabinet became alive to the dangers of the European situation. They had lived through the Algeciras crisis, the Bosnian crisis, the Agadir crisis, had read voluminous Foreign Office papers, and been parties to a military scheme which avowedly made provision for concerted military action on the continent of Europe, and yet were "aghast" to learn in 1912 that War Office and Admiralty had taken measures to secure intelligent and concerted action, if action should be necessary.¹ Those who have read the preceding chapters may have taken it for granted that Cabinet Ministers would have asked anxiously, as these various crises went forward, what preparations were being made against a possible breach of the peace. The fact nevertheless has to be recorded that several of the ablest and most experienced of them, such as Morley, Loreburn and Lloyd George, professed themselves alarmed and astonished to learn that the British War Office and Admiralty had been in communication with the French War Office and Admiralty. It might rather have been expected that Lloyd George would have been alarmed and astonished if, after making his Mansion House speech on the Agadir crisis, he had discovered that no consideration was being given by War Office or Admiralty to the steps which might be necessary if the Germans threw back his challenge.

Grey has described² the scene in the Cabinet on November 22, 1912, when at the request of his colleagues he sat down with them to draft the letter to the French Ambassador setting down in black and white the limiting conditions of the "Military Conversations." They suspected that he had committed them much more deeply, and were surprised at his readiness to define the limits in such clear and emphatic terms, and still more surprised when the French Ambassador accepted

¹ Lloyd George, "War Memoirs," Vol. I, p. 50.

² "Twenty-five Years" Vol. I, pp. 96-98.

them so readily. This exchange of letters—the Grey-Cambon correspondence as it came to be called—became afterwards a classic instance of the dangers of definition. For the news of it got abroad, and it was generally supposed that the British had extended, instead of having limited, the scope of the Entente. That version of it will be found to this day in most foreign accounts of this transaction.

5

In after years certain members of the British Cabinet blamed the Foreign Secretary for leaving them in ignorance of foreign affairs. Grey, they alleged, had made British foreign policy a secret of his own, to be shared only with his special friends, Asquith and Haldane. Lloyd George says he can recall no such review of the European situation being given to the Cabinet as that which Grey delivered to the Colonial Conference in 1907, or to the Prime Ministers of the Dominions at the Committee of Imperial Defence in 1911.

The second of these deliverances will be found in the British documents,¹ and it contains nothing which was not known to every competent student of affairs in or out of the Cabinet at this time. If Cabinet Ministers were ignorant of the facts which it sets out, Lord Northcliffe was assuredly right when he told Lloyd George that they were less well informed than the editors of daily newspapers, or indeed than any intelligent reader who had followed the well-advertised course of events from 1904. The secrets of Europe were very open ones in these days—the rivalry of the great alliances, German jealousy of the Anglo-French-Russian Entente, the naval competition between Britain and Germany, the quarrel between Russia and Austria in the Near East. They were the subject of constant discussion in the newspapers, they were debated year by year in the House of Commons when naval and military estimates came up, and were the theme of common talk whenever the politically minded came together. In spite of all that has been said about “secret diplomacy,” it is difficult for the student of post-war revelations to put his finger upon any fact, unknown at the time, which had any material result upon the course of events. The forces at work were large and visible, and with the material at his disposal any reasonably well-informed

¹ Gooch and Temperley, Vol. VI, pp. 781 *et seq.*

man in these years was as much entitled as the Foreign Secretary to form a judgment upon their probable issue.

Nevertheless the complaint against Grey points to a certain defect in his method. Such Cabinet records as there are of these times show that he was scrupulous in bringing all important points before his colleagues; no one who knew him can believe that he practised upon them any wilful deceit or secretiveness. But it was not in him to play the schoolmaster, and it is evident that he too easily took for granted that they shared this general knowledge, whereas to many of them foreign policy was a side-issue in the absorbing occupation of domestic politics. He circulated papers without stint, but it was said at the time that an ingenious test invented by a Foreign Office clerk proved a large number to have been unread when they were returned. If his colleagues complained that he was reticent, he in his turn confided to his friends that he found it extremely difficult to interest them in the affairs of his Department. Haldane, when he was fighting an uphill battle for military reorganization, made the same complaint. In the eyes of many of his colleagues these efforts savoured of militarism, which, though it might be a tiresome necessity, had better be kept out of sight while a Liberal Government was in power.

This attitude extended to foreign affairs and to "leave it to Grey" became a habit which was only spasmodically broken when the flare-up of some crisis compelled attention. Then "Why were we not told?" became the cry of the critics, who were not appeased when reminded that they had been provided with ample material to form a judgment. Grey's modesty and shrinking from publicity were useful qualities in winning public respect and confidence, but he concerned himself too little with the education of the public and his colleagues in these years. Periodic full-dress debates in the Cabinet on the general course of events, more frequent speeches devoted to foreign affairs in the House of Commons and in the country, would have helped to educate the public and saved Grey himself from a good many unfounded criticisms in after years. The traditional Foreign Office which kept itself to itself, and nursed its "secrets" was rapidly becoming an anachronism in these times. To carry the public with it in decisions which might need to be supported by millions in arms had become a necessary part of its business.

CHAPTER XL
THE LAST CONVULSIONS
1913-14

I

WHILE British Ministers continued to hope that their general relations with Germany were improving, they could not blink the fact that the German Navy Law of 1912 required some reply on their part. But there was the usual difficulty in deciding between what was necessary and what was excessive, and the demands of the Admiralty, presented to Ministers in a volume of eighty pages in which each vote was minutely analysed and the reasons for it set out, filled the pacifists with dismay and led at the end of 1913 to another of the periodical naval crises in the Cabinet. For the second or third time since he became Prime Minister, Asquith saw himself faced with the familiar alternatives: the First Lord resigning with a procession of Sea Lords trailing after him, stalwart Radicals leaving the Government in protest against bloated armaments, the House of Commons in revolt. This time the former parts were largely reversed, Churchill fighting for his estimates against Lloyd George with whom he had acted against McKenna's estimates in 1909, and McKenna being a sharp critic of his successor's proposals. The battle in the Cabinet continued until the beginning of February, and there were many moments when a break-up seemed inevitable. In the end Churchill, supported by Asquith, carried the greater part of his demands, including four new capital ships. One concession which he made to his critics was to substitute a "trial mobilization" for the usual naval manœuvres in the following summer (1914). This had the happy and Providential result that the fleet, instead of being scattered on manœuvres, was at its stations and instantly ready in the crisis of July, 1914.

But just in proportion as the naval competition heated the atmosphere, the British Government thought it important, in the current phrase, to "explore all avenues" which might lead to a reconciliation with Germany, and they now changed their ground and sought an agreement with her on Colonial and oversea questions parallel with their agreements with France and Russia. Metternich, the German Ambassador in London, who had endeavoured in vain to bring home to his Government the peril of their naval policy, had sacrificed his place in a last and highly courageous protest on that subject, but his successor, Lichnowsky, who had followed after a brief interlude of Marschall von Bieberstein, was a friendly and peaceable man, with the reputation of being 'an Anglophil, and the hope was drawn from his appointment that the Germans wished to be at peace with us. Harcourt, the Colonial Secretary, now sat down with him and Baron Kühlmann, and presently they produced an agreement which settled all outstanding questions in Africa and at length removed that long-standing rock of offence, the Bagdad Railway, by definitely assigning to Great Britain the construction and control of the final section of the line from Bagdad to the Persian Gulf. This agreement was only not ratified because Grey required full publicity of the parts which concerned the destiny of the Portuguese Colonies, in the event of Portugal parting with them or ceasing to control them, and the Germans objected to this.

At the beginning of January, 1914, Lloyd George gave an interview to the *Daily Chronicle* in which he deplored the folly of the expenditure on armaments and expressed the opinion that the prospects of the world were never more peaceful. In a rather different vein Churchill had just told his constituents at Dundee that the better relations between Britain and Germany were due to the measures which the British Government had taken for maintaining and strengthening their sea-power. "It was rather," he said, "the feeling of insufficient security and not calm confidence in their own strength which gave rise to irritation between the nations of the earth. If men knew that they were secure against any risk of attack, a feeling of calm security spread through the country and it caused freer and better relations with other countries."

This reported to Berlin caused unbounded satisfaction to the Kaiser. It was his own doctrine come back to him from England—what he and Tirpitz had been saying for all these years. "A magnificent triumph for Admiral Tirpitz before all the world; he has well deserved it and it will give him a commanding position before all the world. A fresh proof of the old theory I have so often maintained that only ruthless, manly and unaffrighted maintenance of our own interests impresses the English, and is at length compelling them to seek a *rapprochement* with us; never the so-called accommodation which they only and invariably take for flabbiness and cowardice. I shall therefore go on ruthlessly and implacably with the execution of the Navy Law down to the smallest detail in spite of all opposition at home and, in case of necessity, extend it. England comes to us not in spite of but because of my imperial navy."

This was the Kaiser's mood a few months before the outbreak of the Great War. He was now more than ever convinced that he had discovered "the right way to treat an Englishman," and found corroboration in the civility of the British Government about the Colonial agreement. It is difficult to discover any possible mistake about the British character, temperament and policy which the Kaiser and Tirpitz did not make between them in these months.

3

While British Ministers were making their final effort to compose their quarrel with Germany, the last spurt in the armaments competition was going forward in Europe. Having passed their Navy Bill, the Germans now proceeded to make a large increase in their land forces, bringing them up by various additions to a peace strength of 870,000, mounting with reserves to a war strength of 5,000,000. A capital levy on property of £53,000,000 was imposed to meet the "non-recurring" expenditure required by this scheme. In the same months the French raised the term of compulsory service from two years to three, and the Russians from three to three and a half, with the special object of expediting their mobilization. At the same time large loans were being placed in France on Russian account, and there was no question that they were intended for military purposes. A few months later Austria-Hungary, though exhausted by the prolonged mobiliza-

tions and special expenditure required by her many crises, added 30,000 to her peace strength. In Constantinople all the Powers were competing with one another to supply Turkey with ships, guns and munitions and to obtain control of the Turkish army by the appointment of one of their nationals as its Chief Inspector and Supervisor. Grey fell heavily from grace with Russia and France by refusing to go to the length that they desired in opposing the German nominee, Liman von Sanders, but he was in an equivocal position, since he had secured the appointment of a British Admiral as supervisor of the Turkish fleet. French and Russians observed that the Turkish fleet was of no importance, whereas in conceivable circumstances the Turkish army might be very important. They were right, as was to be proved two years later, but short of making it a fighting business there was no means of compelling the Turks to reject the German nominee.

In proposing the various increases to their Parliaments all the Governments protested that they were seeking peace and security, and all said that their neighbours had "begun it." Bethmann Hollweg skirted the truth when he told the Reichstag that he presented the new Army Bill not because Germany wanted war, but because if war came she wanted to win. All by this time were sure that war was coming and wanted to win; everywhere the will to victory was swamping the will to peace. The aggregate of these efforts was enormously to raise the scale on which the war, when it came, would be fought and the cost and sacrifice which would be needed to win it. Over a long period of years the power of the nations had been constantly balanced, unbalanced and rebalanced, but at each stage at a higher level.

Fear, suspicion, recrimination increased rapidly in these months. In November, 1913, the French people were deeply wounded and angered by the Zabern incident, in which a young German officer grossly insulted the Alsatian recruits and was supported by his superiors, who ran amok through the town and made arrests at random when the civilian population protested. The Reichstag itself protested against these proceedings, but the War Council intervened and acquitted the officers. The affair, published all over the world, seemed suddenly to reveal the meaning of Prussian militarism, and

what might be the result if it were allowed to prevail in the world. The young lieutenant had in fact behaved to the people of Zabern exactly as in after years the Hitler youth behaved to Jews and Communists in the third Reich.

4

Being in despair about their internal problems, the Austrians were now more than ever pressing for what Conrad called "the great solution"—the solution of war in which the Monarchy would assert its will over Serb and Slav throughout the Peninsula and convince its own rebellious subjects that they had nothing to hope for from their brethren beyond the frontier. Conrad clearly recognized that this would mean war with Russia, but he was ready to go all lengths even if the world were set on fire, provided he could be sure of German support. The steps by which he and Berchtold obtained that and the arguments which they used to persuade Germany make the most important chapter in the history of the last months before the war.

Until the London Conference ended, the German Kaiser kept his hand on the brakes. But in Berlin as in Vienna the military party were all the time gaining ground and the two military machines were in close contact with one another through their respective Chiefs of Staff, Moltke and Conrad. At the end of April, 1913, the German Military Attaché in Vienna told Conrad that, though the Kaiser was not for war, the German Staff was convinced that it was inevitable and were counting on a war with Russia as well. By this time the two Staffs were saying in unison that the sands were running out for Austria against Serbia and for Germany against Russia. The Balkan wars, they said, had dangerously shifted the balance of power in the Near East, and though the Triple Alliance was still superior, it would almost inevitably slip into the inferior place if it merely drifted and let its opponents gather strength. The argument is richly developed in Conrad's "Memoirs" and in their pages we can hear the military voices rising and by degrees wearing down the opposition of the German Kaiser. By the beginning of September, 1913, the Kaiser was talking of "the coming struggle between East and West," and on the 7th of the month he saw Conrad at the German Army manoeuvres, which were taking place within

a day's journey of Vienna, and assured him he was mistaken in supposing that Germany would hold him back.

On October 26 the Kaiser was in Vienna and had a long interview with Berchtold covering all the questions arising between Austria-Hungary, Serbia and the other Balkan States. Berchtold has left an exhaustive account of this in what is undoubtedly the most important document of the twelve months before the war. The two men agreed that to assert her will over the Balkan States was an imperative necessity for Austria-Hungary and that if diplomacy failed war must be faced. Berchtold thus sums up his impression :

So far as Russia was concerned, the Kaiser considered a return to the traditions of the Holy Alliance and to the Drei-Kaiserbund as impossible. He had been brought up in these traditions, but he had to realize that since the time of Alexander III we had to reckon with another Russia, with a Power hostile to us and going out for our destruction, in which quite other elements than the Tsar controlled the Government. For the present Russia did not inspire the Kaiser with anxiety ; for the next six years they could be safe on that side. He had come to know this last March, since a German from the Baltic Provinces who was personally known to him had repeated to him an observation of the Tsar's after a war council held in Tsarskoe Selo : " God be praised, we shall not go to war, for the next six years it is impossible " (in French). Till then the army was not ready, and close at hand was the haunting spectre of Revolution. On my remarking that Revolution would also have to be reckoned with at the end of six years, and perhaps more than now, but that this was a double-edged weapon since the Monarchical principle might suffer a serious shock from it, the Kaiser said vehemently that, if it came to the last extremity, such considerations were so much snuff to him (*ganz schuppe*), for then it would be a struggle to the death in which we should both stand together against a common enemy, and it was all one to him in what way the enemy went down. The skin remained always nearer than the shirt.

As often as opportunity offered during one hour and a quarter's talk to touch upon our relations as Allies, His Majesty ostentatiously used the occasion to assure me that we could count absolutely and completely upon him. This was the red thread which ran through the utterances of the illustrious Sovereign, and when I laid stress on this on taking my departure and thanked him as I left, His Majesty did me the honour to say that whatever came from the Vienna Foreign Office was a command for him.¹

¹ Austrian Documents, Vol. VII, pp. 512-15.

From this moment Austria became the rider and Germany the horse.

5

It was no localized conflict that the Kaiser and Berchtold were contemplating. Both faced the fact that Russia would almost certainly be brought in, but this, so far from being a deterrent, was from now onwards one of the chief inducements to force the issue. Russia in the opinion of both Staffs was for the time being not dangerous. The Kaiser professed to have private information that the Tsar was most anxious to postpone war. But Russia, given time, would be irresistible. She had inexhaustible reserves of man-power: she was preparing far-reaching schemes for providing herself with strategic railways on the German frontier and at the same time speeding up her mobilization. Give her six years and she would fall like an avalanche on Germany, an avalanche of barbarians destroying German life and culture. Conrad and Berchtold were peculiarly skilful in plying the Kaiser with this argument, and Moltke and the German Staff chimed in. The Bismarckian warning against preventive wars was still a tradition in Germany, but men who argued thus were very unlikely to decline a quarrel on the ground that Russia might be brought in.

Something like a panic about Russia swept over Germany in the last months of 1913 and the early months of 1914. A violent press campaign set in between the two countries and the newspapers of both spoke openly of war. The Russian avalanche had now come nearer, and the *Kölnische Zeitung* predicted a Russian invasion in three years with the unspoken moral that it was dangerous to wait for that event. The *Bourse Gazette* replied defiantly. "Russia wishes for peace but is ready for war. The army is not only large but excellently equipped. Russia had always fought on foreign soil and has always been victorious. Russia is no longer on the defensive, Russia is ready." Diplomatic explanations followed in which both Governments threw back on the press the responsibility for incitements which they themselves had prompted. The best thing one could do, Sazonoff told Pourtalés, the German Ambassador in St. Petersburg, was not to read the newspapers. The dangerous truth was that the

newspapers reflected only too faithfully the atmosphere of fear and suspicion which the Governments between them had created.

Then in the middle of all this came King George's visit to Paris in those beautiful April days, so vividly described by Lord Grey. It was, like the visit of his father eleven years earlier, a brilliant success, but for that very reason disturbing to the jealous watchers in the other camp, and the more so since it gave rise to the talk of a new naval convention between Britain and Russia. Grey has told the truth about that: it was little more than a polite gesture, at the request of the French, to their Ally. One thing led to another. Russia, they said, was aware of the "military conversations" between French and British; she would be hurt if a similar mark of confidence were not extended to her in regard to the navy. Grey with some embarrassment consented. He saw no harm in the thing itself. If there were a war, the Russian fleet would not get out of the Baltic, or the British fleet try to get into it. There could, therefore, be no joint operations between the two fleets, but if the Russians wanted to talk about it it would be impolite and create unnecessary suspicions to refuse. They did talk and nothing came of it.

So far Grey was right, but he had reckoned without the mischief-makers in Europe and the vigilant critics at home who, having got wind of something going on, would want to know more. French newspapers suggested that Great Britain had taken an important new step into the camp of the Dual Alliance; German newspapers professed to know that an elaborate naval campaign, most threatening to German security, had been concerted between the two Powers.¹ Liberal and Radical M.P.s asked questions which Grey was reduced to parrying by a formula which, though true, was not the whole truth. "There were," he said, "no unpublished agreements which

¹ After the war had broken out I received a copy of a German newspaper which charged me personally with having been the intermediary between the British and Russian Admiralties in framing the "Naval Convention." The only foundation I could even conjecture for this allegation was that I might have been seen lunching at a London restaurant in company with the Russian Naval Attaché (who was a personal friend of mine) and the Naval correspondent of the *Westminster Gazette* (Mr. A. H. Pollen). I knew nothing whatever about either "Naval Conversations" or "Naval Convention."

would restrict or hamper the freedom of the Government or of Parliament, to decide whether Great Britain should participate in a war." He could not say more without breaking confidence, but to be compelled to say as much was to increase the mischief. Between the lines of this statement the Germans read a meaning which was far beyond the truth, and the story of a British-Russian Naval Convention added a new item to the tale of suspicion and recrimination now mounting up in Europe.

At the beginning of March, 1914, Pourtalés wrote a reassuring dispatch in which, while modestly disclaiming the gift of prophecy, he expressed the opinion that the Russian Government was honest in disclaiming the intention of attacking Germany. The Kaiser wrote scornfully on the margin, "this gift [the gift of prophecy] does occur. It is found oftenest in Sovereigns, in statesmen seldom and in diplomats almost never. . . . We find ourselves in the No-man's land between the military and the political—treacherous and obscure ground on which the diplomat most of all goes astray. I, as military, do not entertain the smallest doubt, on my information, that Russia is systematically preparing war against us, and I shall govern my policy accordingly." Day by day during these months the soldiers were more and more pulling politicians and diplomats to their side of the uncertain boundary. The soldiers had no doubts and few scruples. "For us, the Triple Alliance," said Conrad to the German Military Attaché on March 14, "there are only two alternatives, either to strike at once or to strengthen our armaments correspondingly, and of the two the former is from the military point of view by far the most correct." On May 12 Conrad visited Moltke at Carlsbad, where he was taking a cure :

We spoke then about the probability of a war. General von Moltke expressed the opinion that every delay meant a lessening of our chances ; it was impossible to compete with Russia in numbers. He said further, "unfortunately our people expect a declaration from England that she will stand apart. This declaration England will never give. . . ."

"Before I went I asked General von Moltke again how long in his opinion the joint war against Russia and France would last—i.e. how long before Germany would be able to turn against Russia with strong forces.

VON MOLTKE : We hope in six weeks after the beginning of operations

to have finished with France or at least as far as to enable us to direct our principal forces against the East.

CONRAD : So for at least six weeks we must maintain our rear against Russia.

Von Moltke added that Germany would have large new resources in ten years.

CONRAD : That is a long time.

VON MOLTKE : Yes, but it will get better from year to year.

It had by this time become highly improbable that Generals who believed that they knew how to dispose of France in six weeks and were convinced that "every delay meant a lessening of their chances" would wait ten years if an opportunity came of trying conclusions sooner.

6

If there were still hesitations in Berlin, where Bethmann Hollweg stretched a feeble arm to stay the drift to war, there were none in Vienna. There the conversion of the politicians to the soldiers' view was now complete, and the chief consideration of both was the way of approach to the desired conclusion. The Kaiser was about to visit the Archduke at his villa at Konopischt and Berchtold sat down to compose a memorandum to be presented to the German Government immediately afterwards. It was a long, able and argumentative summary of the situation in the Balkans—the blow to the Triple Alliance through the defeat of the Turk, the threat to the Dual Monarchy of the rising power of Serbia, the alleged intrigues of France and Russia, the military difficulty created for the Monarchy by the ambiguous attitude of Rumania—winding up, as originally drafted, with a proposal that an ultimatum should immediately be presented to Rumania, calling upon her to declare herself publicly on the side of the Triple Alliance. Through it all ran the suggestion that the real objective was Russia, whose immense population, enormous armaments and military preparations, and the political and economic supremacy at which she was alleged to be aiming, were said to be as perilous to Germany as to Austria-Hungary.

The Kaiser came to Konopischt on June 12 when the Archduke appears to have discovered that the projected ultimatum to Rumania

was not to the Kaiser's liking. The latter was willing, and even suggested, that King Carol should be asked discreetly what steps he proposed to take to guard the Treaty of Bucharest (not the Triple Alliance) in the event of a renewal of trouble between Greece and Turkey on the subject of the Islands, but the King of Rumania was a Hohenzollern and his cousin, and he still had unbounded confidence in his own personal influence and suasion to keep him on the right path. The Austrians afterwards admitted that they would have had great difficulty in obtaining his consent to the proposed *démarche* against Rumania.

7

The point is only of importance inasmuch as it establishes beyond doubt that the Austrians were determined to force the issue in the Balkans by one means or another in the summer of 1914. A fortnight after the Konopischt conversations they had their way. On June 24 the Archduke and his wife lay dead at Serajevo, brutally murdered by assassins who had lately been in Belgrade, where they had been furnished with hand-grenades and revolvers, and thus armed had crossed the Drina back into Bosnia. Conrad and Berchtold leapt to the opportunity. The Kaiser might wince at the idea of making Rumania the villain of the piece, but after this unspeakable crime, perpetrated upon his intimate friend and the Royal and Imperial house, could he hesitate to fulfil his pledge to follow where Austria led, when she demanded satisfaction of Serbia? The Austrians judged not, and judged rightly. Berchtold now sat down to revise his memorandum in the light of the new fact. Leaving the preamble and the greater part of the argument as it stood, he struck out the paragraph which had been aimed at Rumania and wrote in another which made Serbia the point of attack:

The foregoing Memorandum had been prepared when the terrible events of Serajevo intervened.

To-day it is scarcely possible to miss the significance of the whole range of events signified by this reckless deed of murder. In any case, we have been given indubitable proof, if it was still necessary, of the irreconcilable nature of the opposition between the Monarchy and Serbia, and of the danger and intensity of the big-Serbia agitation which shrinks at nothing.

Austria-Hungary has not failed in good-will and friendly efforts to procure a tolerable relationship with Serbia. It has, however, once more been shown that these efforts are entirely useless and that the Monarchy will have to reckon in the future with the stubborn, irreconcilable, and aggressive hostility of Serbia.

It is thus the more imperative necessity for the Monarchy to break with resolute hand the threads which her enemies wish to weave into a net about her head.¹

With this and sundry embellishments about the Russian peril and the machinations of France, the memorandum was forwarded to Germany at the beginning of July. With it went a covering letter from the Emperor Francis Joseph to the Kaiser. "You will be convinced," he said in his closing sentence, "after the recent fearful events in Bosnia that a reconciliation of the difference which divides us from Serbia is not to be thought of and that maintenance of the peaceful policy of all European sovereigns will be threatened if this hotbed of criminal agitation in Belgrade goes unpunished."

This time the Kaiser's response was instant, and his emotions were sincere. Within a few days Berchtold and Conrad had set the Austrian war-machine in motion and laid their plans in such a way as to exclude any subsequent repentance. Conrad had no doubt that his favourable moment had come.

¹ "Fifty Years of Europe," p. 404.

CHAPTER XLI
THE EVE OF WAR

1914

I

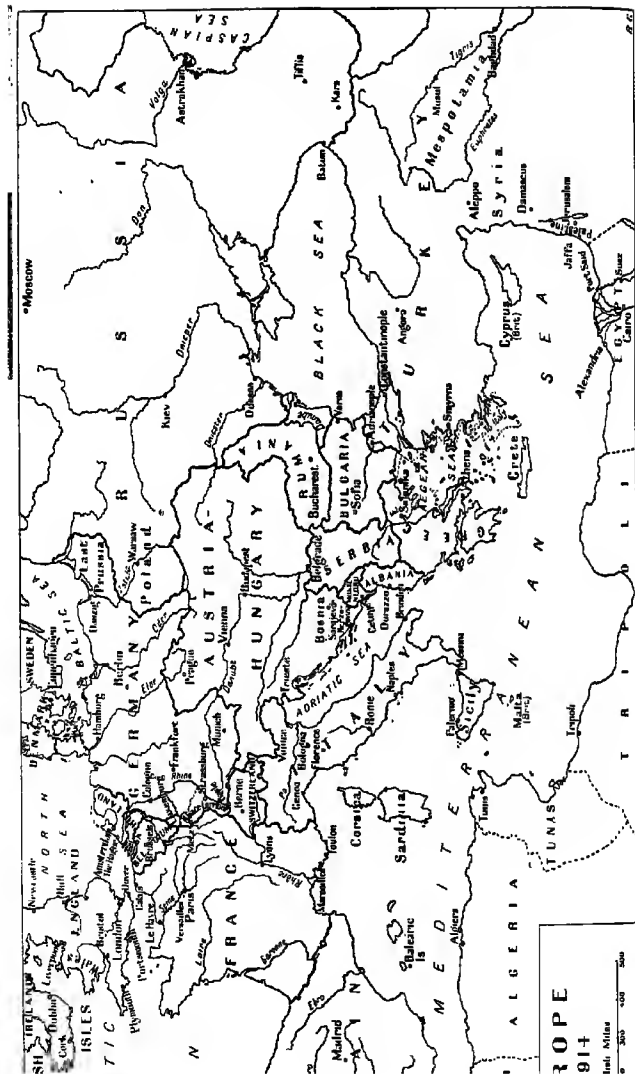
A BRIEF statement of the moods of the principal countries and their statesmen may serve at this point to sum up what has gone before.

In Germany the Kaiser was genuinely moved at the tragic fate of the friend whose guest he had been a few days earlier, and deeply incensed at the outrage perpetrated on a Royal and Imperial House in his person. Already committed to support Austria-Hungary in whatever steps she might take to deal with Serbia, he now and for the next three weeks gave full rein to his sense of outrage and horror.

The result is seen in the unrestrained comments and incitements of the Kautsky documents.¹ Behind the Kaiser was a Chancellor of good intentions and weak will who acted on instructions without perceiving their consequences, and was powerless against the military chiefs who were of opinion that the moment was favourable for the trial of strength, which they believed to be inevitable, between Triple and Dual Alliance, and that in view of the growing power of Russia, the chances of the former must decline if it were postponed.

In Austria the aged Emperor was losing hold of life and weakening at last in his long and stolid resistance to all schemes for forcing the issue in his lifetime. He was little moved by the fate of his nephew who had thwarted his will and broken the discipline of his House by amorganatic marriage, but accepted the event as taking the issue of war and peace out of his hands. Behind him were Berchtold and

¹ Translated into English under the title of "The Guilt of William of Hohenzollern."



ROPE

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Ends May

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Conrad, who had already laid their plans for a forcible move against Rumania with all the consequences, political and military, attending it, and now saw a still better opportunity of making their policy prevail.

In St. Petersburg the Tsar, a man of weak and wavering will, was surrounded by counsellors who advised him that he would assuredly lose his throne if he submitted again to the affront which had been put upon him five years earlier, or permitted Austria and Germany to deprive him of his leadership of the Slavs in the Balkans, and thus shut the door on the legitimate and necessary aspirations of Russia. Behind these again was a public opinion which regarded the defence of Serbia as an obligation of honour no less binding on Russia than the defence of Belgium on France and Great Britain.

In all these three countries there were fixed military plans of campaign requiring rapid action from the moment that war was regarded as inevitable, and leading soldiers in each of them using their influence and their power to thwart civilian negotiations imposing delays. In Germany the Schlieffen plan depended on a quick victory over France, before Russia could come into action, and correspondingly in Russia the known fact that her opponents relied on the slowness of her mobilization led soldiers to resolve that they should not have this advantage, or as little of it as possible. Behind the civilian statesmen in each country stood soldiers watching time-tables calculated to days, even hours, and protesting that their plans would be ruined if delays were permitted.

In France the military mind was at one with the civilian. Rightly or wrongly both were convinced that Germany and Austria meant war and to both the consequences seemed automatic and imperative. The terms of the Dual Alliance laid down that French mobilization followed German; and failure to fulfil them meant the end of the Alliance, the isolation of France and, in French eyes, her permanent subjugation by Germany. Efforts might be made by British statesmen to stay the course of events in Berlin or St. Petersburg, but they were never regarded hopefully by the French who faced the event as fated, knowing the doubtful issue. A few schemers and dreamers may have seen victory at the end and the recovery of the lost Provinces, but to the vast majority in July, 1914, the impending war was a stroke of fate to be accepted with courage because there was no alternative.

2

Great Britain remained "overwhelmingly pacific," as one of its members said of the Cabinet, until the last minute. The working of the Alliance system was outside her experience; the terms of the Alliance between France and Russia had not been confided to her; the quarrel between Austria and Serbia seemed remote and unintelligible to the mass of her people. Among her statesmen only a few students of foreign affairs understood the chain of cause and effect which might presently involve the whole world in this dispute. There was none of the instinctive apprehension which filled the European mind as the crime of Serajevo developed its political consequences.

The policy of Great Britain in the previous years had been haunted by a doubt whether she was or was not a European Power in the sense that her European neighbours understood that expression, and she had solved it by a characteristic compromise which left her half in and half out of Europe. She had her ententes, but, as she constantly reminded herself, none of them put her under any legal obligation to engage in war except on the decision of her own Government and Parliament. Her neighbours said she had no policy, and in a sense they were right. Policy in the sense that Bismarck understood the word—the long and deep game directed to a given end, the driving of wedges, the playing off of Power against Power in the interests of the player—will be looked for in vain in her record. She had an instinct for the things that threatened her Empire and would act forinidably on facts when they were established. But she would not commit herself in advance of facts, and claimed the liberty of investigating each case on its merits, rehearsing all her doubts and fears, exhausting all the possibilities of avoiding war, or limiting her action in war before she gave her decision. The French agonized as she passed through these phases to a conclusion which seemed to them inevitable and imperative, but in no other way could the British people have been mobilized for war.

3

On the fringe were the waverers and doubters, and first among them Italy, who since 1908 had been reconsidering her belief that

France was the enemy, and was in no mind to see Austria overrun the Balkans and dominate the Adriatic, or in the alternative event, to be a spectator while the Southern Slavs divided the Austrian heritage. Though still a nominal member of the Triple Alliance, she had given her partners clearly to understand that she could afford no policy which brought upon her the hostility of Great Britain ; and she was well aware that the Austrian military chiefs had more than once contemplated an attack upon her in the previous three years. But she was cautious and wary and, being well acquainted with the German military plan, deemed it prudent at least to wait until it was seen whether the expected rapid success was achieved, and to steer her course afterwards according to her own interests. This policy was a clear-sighted weighing of the forces at work and entirely correct according to the ruling principles of action.

Turkey, Bulgaria and Rumania also were among those who waited. Turkey was more deeply committed to the Central Powers than the other Powers were aware, and she had a heavy account to settle with the Balkan States whose cause was espoused by Russia and France. It is still a moot point what her choice might have been if the escape of the *Goeben* and *Breslau* had not made German military power supreme at Constantinople in the critical days. Bulgaria avowedly was waiting on events. She longed to be even with Serbia and Rumania, but was ready to be bought off by a price which they refused to pay. To watch the tide of war, and after due deliberation to join the side which not only promised the most but seemed most likely to be in a position to perform what it promised, was in her view the correct policy. In Rumania public opinion ran strongly against Austria, but the King was a Hohenzollern, to whom the idea of being at war with his kinsman was abhorrent, and he had promised that the Rumanian army should never march against Austria in his lifetime. For the time being he was able to reinforce his views by strong material arguments against intervention while Russian help was doubtful.

Opinion in these Balkan States was intensely local and provincial. Each pressed its own point of view regardless of the wide sweep of events which presently would decide the issue. All protested against the concessions needed to win an ally or disarm an enemy. Those

for whom the choice of the winning side at the ripe moment was vital had neither the knowledge nor the judgment which might have made their precarious position relatively safe. They too were practising power politics, but without any of the apparatus necessary for measuring the forces at work.

The immediate motives of both the European groups were desire of power and fear of losing it, national and racial jealousies and animosities and most of the other simple elements of human combativeness. The economic necessities which in previous ages were supposed to have driven the nations to war had been largely removed by modern conditions. International finance was more and more operating across national boundaries, raw material was accessible to all, doors were open to migration, tariffs were moderate, there was free exchange of goods over a vast area. Economically and materially, as Sir Norman Angell so cogently argued, the nations had nothing to gain by war or conquest, but this did not affect the belief of the dominant Powers that military ascendancy and acquisition of territory were marks of national greatness, and periodic trials of strength a necessary part of the historical process. Old feuds remained unhealed, the French could not forget the loss of their Provinces, the Poles remembered the partition of their country, and their long martyrdom in the subsequent years. All had a presentiment that even if conquest brought no advantage, defeat would be an immeasurable calamity.

4

Immense importance was attributed at the time to the diplomacy of the twelve days before the war, but in historical perspective it seems little more than the registering of a foregone conclusion. The military view had prevailed before it began, and as it went forward the impatient rattling of swords behind the scene became daily more audible.

A deceptive pause followed the murders at Serajevo. The Kaiser employed the time in expressing his anger at the outrage and inciting the Austrians to go all lengths against Serbia. But after taking counsel with his military advisers he departed on a yachting cruise, and about the same time the French President started on an official visit to Russia. These two moves seemed to indicate that the immediate

danger was over, and the sense of relief was general. The British people were immersed in their own troubled politics—the failure of the Buckingham Palace Conference and the danger of civil war in Ireland—which seemed much more important than the murder of an Archduke in Bosnia. “To hell with Serbia” was the caption of a widely circulated newspaper, and it expressed the sentiments of a considerable number who remembered the savage assassination of King Alexander and Queen Draga, and cared little what happened to this “regicide State.” The murder of the Archduke and his wife would, it was generally hoped, be a simple case of crime and punishment, in which justice would be done after due inquiry.

Then suddenly, shattering all these illusions, came on July 23 the Austrian ultimatum to Serbia, couched in terms so harsh that its acceptance, demanded within twenty-four hours, was clearly not intended or expected. Its delivery, it now appeared, had been timed for the moment when the French President was on the sea on his return journey from Russia, with the evident purpose, in which it partly succeeded, of throwing French and Russian diplomacy into confusion. The advice hurriedly offered to Serbia by British and French Ministers was that she should do everything possible to satisfy Austria, and her reply delivered within the twenty-four hours was an almost total submission. The Austrian Minister in Belgrade did not even open it, but instead produced a fresh Note announcing the rupture of diplomatic relations and the departure of himself and his staff. Two days later (July 28) Austria declared war on Serbia. The menace to the general peace was now clear to all the world, for it was impossible to suppose Austria unaware that she was throwing a challenge to Russia, which it would be difficult if not impossible for Russia to decline.

5

The day after the Austrian ultimatum was issued (July 24) the British Government endeavoured to set up again the process of conciliation which had served Europe so well at the Ambassadors' Conference of the previous year. Grey now proposed mediation by the four disinterested Powers, Germany, France, Italy and Great Britain, and continued to urge it or any alternative that the others

preferred for the next three days. Germany rejected all these proposals on the plea that Austria's quarrel with Serbia was a matter with which the other Powers had no concern, and expressed a strong opinion that if Russia intervened the responsibility for the consequences would be hers and hers alone. In his "Twenty-five Years" Grey has described his despair, as day after day passed and the Germans refused to "press the button to peace." The truth was that they were deeply committed to support Austria in any action she might take, and that the General Staffs of both countries were confident of their ability to defeat any possible combination against them, if only they were not tangled up in dilatory negotiations.

Grey battled manfully to stem the military tide, and on July 28 made a final proposal of direct negotiation between Austria and Russia, but by this time the thoughts of all the other Governments were on the prospects of victory or defeat in the war which they now thought to be inevitable; and in St. Petersburg as well as in Vienna and Berlin the soldiers were in charge. Sweeping aside the objections of the Tsar, who hesitated to take the plunge, the Russian military chiefs insisted on mobilizing as the Austrians mobilized, and on July 30 converted a partial mobilization decreed in the morning to a total mobilization decreed at midnight. The following day (July 31) the Germans issued a proclamation of *Kriegsgefahr* (War danger) which was followed quickly by mobilization, and at midnight on the same day presented an ultimatum to Russia. On Saturday, August 1, the French mobilized, and on the morning of Sunday, August 2, the Germans began their offensive with the invasion of Luxembourg, which clearly indicated their intention of invading Belgium. On Monday, August 3, Germany declared war on France. Having once started, mobilizations followed automatically and inexorably the course laid down in the Treaties of Alliance. No one in Europe took seriously the idea to which a few British observers clung as a drowning man to a straw, that mobilization did not necessarily mean war.

6

Proximus ardet. The British Cabinet watched with dismay as day by day the fire came a little nearer their own boundary. There were

at the beginning three opinions among British Ministers : one, held at first by only a small minority, that interest and policy would compel Great Britain to intervene to prevent the downfall of France and its certain consequence the establishment of a German hegemony in Europe ; another that her intervention, if it became necessary, should be confined to action at sea and not extend to the landing of an army in Europe ; a third, held by a majority at the beginning, that the threatened war was a continental struggle in which neither honour nor policy required British intervention. The issue which finally brought all three, with the exception of Lord Morley and John Burns, into line was the German threat to Belgium.

No dissensions appeared in the early stages. The Cabinet was united in supporting Grey in his efforts at mediation. It sanctioned as reasonable precautions the orders given to the fleet, which by a happy accident was in an all-ready condition at its stations, and various provisional military and economic measures. It held that Grey and Asquith had done rightly in indignantly rejecting the German bid for neutrality—the offer to “make no territorial acquisition at the expense of France,” if Britain would remain neutral.¹ To retain full liberty up to the last moment, and to make it clear that if war came and British intervention were decided upon, it was only on the most compelling proof that duty and necessity required it, seemed at this stage to Asquith and Grey to be the one and only way of securing

¹ The offer did not extend to French Colonies, and left Germany free to do what she chose with Belgium. Grey's answer was :

What he asks us, in effect, is to engage to stand by while French colonies are taken and France is beaten so long as Germany does not take French territory, as distinct from the Colonies.

From the material point of view such a proposal is unacceptable, for France without further territory in Europe being taken from her could be so crushed as to lose her position as a great Power, and become subordinate to German policy.

Altogether apart from that, it would be a disgrace for us to make this bargain with Germany at the expense of France—a disgrace from which the good name of this country would never recover.

The Chancellor also, in effect, asks us to bargain away whatever obligation or interest we have as regards the neutrality of Belgium. We could not entertain that bargain either.

Government and national unity. This line prevented Grey from giving Cambon, the French Ambassador, the assurances he so naturally desired, and the King from answering in more definite terms the appeal made to him personally by the President of the French Republic. Cambon agonized as he waited, and though acknowledging that there was no legal obligation on the British Government made pathetic appeals to the honour and good faith to be expected between friends. Grey, nevertheless, kept strictly within his boundaries, but he felt himself free to warn and keep warning the Germans that British intervention was a possibility with which they would seriously have to reckon in certain circumstances.

The circumstance that he had most in mind was the possible invasion of Belgium which day by day loomed nearer. In his "Memorandum on Resignation," Lord Morley, who in the end was the principal dissident, seeks to prove that Belgium played only a "secondary part."¹ This is not borne out by either the Cabinet records or the testimony of most of its members. From July 29 onwards Ministers were anxiously considering their obligations under the two Treaties of 1829, and the action taken by Mr. Gladstone's Government in 1870. Was the guarantee of the Powers individual or joint and several? Was one of the guarantors relieved of his obligation if the others defaulted? Should we be compelled to intervene, if the Belgians themselves submitted to invasion and lent their country to a "simple traverse" by the German army, to be in fact "more Belgian than the Belgians"? The argument went backwards and forwards over this ground between July 29 and August 2, and the decision was only reached when it became plain not only that Belgium was to be invaded, but that the Belgians themselves were resolved to resist invasion and were relying on us to fulfil the Treaty by coming to their aid.

The record disposes of the idea that the Cabinet might with the assent of all its members have intimated to the Germans at the begin-

¹ "The precipitate and peremptory blaze about Belgium was due less to indignation at the violation of a Treaty than to natural perception of the plea that it would furnish for intervention on behalf of France, for expeditionary force and all the rest. Belgium was to take the place that had been taken before, as pleas for war, by Morocco and Agadir." ("Memorandum on Resignation," p. 14.)

ning of the negotiations that, if they invaded Belgium, British intervention would surely follow. There was no unanimity on this subject until the last hour when the facts had spoken, and the doubting Ministers had to face the question whether they would turn their backs on the Treaty and leave the Belgians to fight their battle without British support. This was the question which British Ministers had finally to decide, and on Sunday evening, August 2, they came to the all but unanimous conclusion that no answer but one was possible. Asquith to the end of his life defended the doubters from Morley's charge of having "veered with the wind" on the ground that men who had taken one view when it was uncertain whether the Belgians would resist, might reasonably take another when it was certain that they would resist. Nevertheless, we need not suppose them to have been uninfluenced by the evidence which by this time was pouring in that the peace-movement in the country which had been formidable up to this point had been all but extinguished by the German menace to Belgium.

The invasion of Belgium had done, in fact, what nothing else could have done at this stage—rallied the Cabinet, convinced Parliament, and placed the country all but unanimously behind the Government. It was not merely the threat to Belgium, but the sudden illumination of the whole situation by the act of the Germans which stirred and moved the British people. Belgium was thus, for all parties, the climax of the argument. In the previous week Bonar Law, the leader of the Unionist party, had told Grey he was doubtful whether the rank and file of the Unionist party would be "unanimously or overwhelmingly in favour of war" unless the Germans invaded Belgium, but on the morning of Sunday, August 2, he and the other leaders of the party sent Asquith an intimation that they would support the Government in "resisting German aggression."

The argument against intervention faded away in face of the facts. Up to the moment when the invasion of Belgium became a glaring fact not only the great majority of the Liberal and Radical supporters of the Government, but a great many members of other parties had been horrified at the thought of war. Many were still in great perplexity when the House of Commons assembled on Monday, August 3. But opposition sank to a whisper after the moving and

powerful speech—powerful in its great simplicity—in which Grey carried his hearers step by step to the irresistible conclusion that British action had become imperative. That speech bringing to a climax the long and searching debates behind the scenes in the previous ten days was decisive for several of his doubting colleagues, and at the end only two (Morley and Burns) persisted in their resignations. Only one dissentient voice was heard in Parliament, that of Mr. Ramsay MacDonald, the leader of the Labour party, who spoke courageously for what in a few hours had become an irretrievably lost cause. Redmond, the leader of the Irish party, told the Government that they “might to-morrow withdraw every one of their troops from Ireland in confidence that her coasts would be defended by her own armed sons, and that for this purpose armed Nationalist Catholics in the South would be only too glad to join hands with the armed Protestant Ulstermen of the North.”

The response from the public was immense, and in the next few days promises of support poured in from the Dominions, from the Indian Princes and people, from the Crown Colonies, all pledging themselves to the utmost effort and sacrifice in the common cause. Lords and Commons held stately sittings in which Prime Minister and members of the Government vied with leaders of the Opposition in eloquent denunciations of the hated thing called “Prussian militarism” and its evil manifestation in the tearing up of the “scrap of paper.” All vowed that they would not “sheathe the sword” until this terror had been banished from the earth. Some of this rhetoric loses its glamour in the cool light of after days, but it expressed the genuine feeling of all classes and all ages at this moment. It has been suggested in after days that a Cabinet of old men drove reluctant young men into the furnace of war. Nothing could be farther from the truth. Asquith’s Cabinet was rather below the average age of Cabinets, and it would have had no sterner reckoning than from the young men of the country if it had declined the challenge thrown to it, as they firmly believed, by “Prussian militarism.”

7

Let me add a footnote on a matter with which I personally was concerned but which has its importance in the history of these days.

On the afternoon of Saturday, August 1, I received a telegram from Bethmann Hollweg, the German Chancellor, whom I had known in previous years, begging me to publish in the *Westminster Gazette* the following dispatch, which he had sent to Count Tschirsky, the German Ambassador in Vienna, on July 30 :

BERLIN, July 30, 1914.

The report of Count Pourtalès [German Ambassador in St. Petersburg] does not harmonize with the account which Your Excellency has given of the attitude of the Austro-Hungarian Government.

Apparently there is a misunderstanding, which I beg you to clear up.

We cannot expect Austria-Hungary to negotiate with Serbia, with which she is in a state of war.

The refusal, however, to exchange views with St. Petersburg would be a grave mistake.

We are indeed ready to fulfil our duty.

As an ally we must, however, refuse to be drawn into a world conflagration through Austria-Hungary not respecting our advice.

Your Excellency will express this to Count Berchtold with all emphasis and great seriousness.

I published it without hesitation and for doing so drew down upon myself angry rebukes from many newspapers and subsequently official censure in a Foreign Office paper which charged me with having lent myself to a German "fake" intended to mislead the British public. I was aware of this possibility, but judged that I should incur a far greater responsibility, and be open to a much more serious reproach, if I suppressed a document which offered the faintest hope of a new move towards peace. The dispatch was no "fake," and it now figures in the diplomatic records as a most important link in the inner history of the last days before the war. The Kaiser had a characteristic moment of repentance on July 29, and for a few days he said that Serbia having made submission, there was now no occasion for war.¹ In this mood he instructed the Chancellor, who was of the same opinion, to support Grey's final proposal of direct negotiations between

¹ In his book the "Eve of War" (pp. 454-5) Herr Theodore Wolff states that the "astonishingly submissive reply" of Serbia to the Austrian ultimatum was held back for two days in Vienna for fear it might make this impression on the Kaiser and German public opinion.

Austria and Russia, and the telegram to the German Ambassador in Vienna was the result.

The fate of this proposal is revealed in the "Memoirs" of Conrad von Hötzendorf, the Austrian Chief of Staff. On the morning after it had gone forward (July 30) Moltke, the German Chief of Staff, telegraphed to Conrad, "Austria must at once mobilize against Russia, Germany will mobilize." On the same morning the Austrian Military Attaché also wired from Berlin, "Moltke says the situation is critical unless Austria mobilizes at once against Russia. Refuse England's new peace offer . . . Germany unconditionally with you." Again in the afternoon Moltke telegraphed, "Will Austria leave Germany in the lurch?" All this behind the back of the German Chancellor, who was nominally in charge of the negotiations and who protested afterwards that he was absolutely sincere in supporting the British proposal. "Who is in command?" asked Berchtold, the Austrian Minister, but he had apparently no difficulty in answering the question, and, taking Moltke's advice, he proceeded to extinguish the last chance of peace.¹

The main trouble throughout the negotiations was that the soldiers and not the statesmen were in command.

¹ Conrad, "Aus Meiner Dienstzeit," Vol. IV, pp. 152-4.

BOOK FOUR

THE WAR

1914-18

CHAPTER XLII

THE WAR—FIRST PHASE

1914

I

A GAIN and again in the subsequent years the Kaiser protested that he did not "will the war." It was true. He did not will the Great War. The war which he and his Ally contemplated, if we waive the word "will," was the short and rapidly successful war of the Bismarckian model, the war of the Schlieffen plan, discussed between Conrad and Moltke in their last interview—Paris in six weeks and the whole German and Austrian forces released to deal with Russia. No one willed the world war. It is altogether incredible that monarchs, statesmen and soldiers could have dreamt of a war as the solution of their problems if they had realized what, under the system they had built up, the word had come to mean. To speak of this system as chaos is to misunderstand it. The two Alliances and their satellites represented the most elaborate organization of forces that the world had yet seen. Army for army, ship for ship, almost gun for gun, the opposing forces balanced each other, and for nearly forty years anxious eyes had watched the trembling of the scales and added weights on one side or the other to bring them even. It was in the end the very perfection of this work which determined the long-drawn agony of the struggle that followed. Forces so immense, so even, so elaborately adjusted, were unable to reach any conclusion except by attrition and exhaustion; and the issue between them was so gigantic that neither could be satisfied with less than the total defeat of the other.

2

It was common rumour in Europe in August, 1914, that the Germans would act on the Schlieffen plan of marching through Belgium,

outflanking the French and descending from the west on Paris. Partly on the ground that this rumour was so loud, the French believed it to be a feint and persisted in a plan of their own—the famous “Plan 17” for which Joffre was responsible—which assumed a German advance through Belgium south-east of the Meuse, and proposed to counter it by an offensive aimed at Metz, which would threaten and perhaps cut the enemy’s communications on the left bank of the Rhine. Thus the bulk of the French army was on a line between Belfort and Mézières, and the whole of the frontier on the north-west through which, according to the Schlieffen plan, the Germans would advance, was practically undefended. General Lanrezac, one of the ablest of French commanders, was loud in warning of the danger of this scheme, but he was overruled.

The British General Staff had watched the French dispositions with great anxiety and continued to predict that the Germans would come by the north-west, but the accuracy of this forecast was only brought home to the French by the march of events. On August 5 the Germans began crashing through Belgium and, in spite of a stubborn resistance, took Liège, demolishing its forts with their big guns, and spread terror among the population by indiscriminate shooting and burning. Their “frightfulness” shocked the world, but it was part of a deliberate plan to guard their lines of communications by intimidating the population and thus enabling them to be held by the minimum of troops. On August 20 they entered Brussels, and leaving Antwerp for the time being, swept on towards the French frontier. During the same period the French suffered a heavy defeat in their south-eastern offensives, being thrown back from Lorraine where at first they had a delusive success, and foiled in their attack on Alsace, where they had made a dash for Mulhouse, but were soon driven back across the frontier. In the three weeks of these operations they suffered 300,000 casualties.¹ Had anything like this number been available to meet the real German advance, there need have been no retreat from Mons.

On August 15 Lanrezac renewed his warnings and was permitted to move his army north-west towards Givet and Charleroi. On the 17th, 90,000 men of the British Expeditionary Force, who had been

¹ C. R. M. F. Crutwell; “History of the Great War,” p. 18.

transported across the Channel in dead scareezy, arrived on the ground and were concentrated between Le Cateau and Maubeuge in touch with the French left wing. They too were inspired with the spirit of the offensive, and Sir John French who commanded them had intended to attack without delay. But by this time the Germans were in greatly superior numbers a little to the north, and on August they defeated Lanrezac at Charleroi and compelled both British and French to retreat hastily to the south. The British fought useful delaying actions at Mons and Le Cateau, where Sir H. Smith-Dorrien held 100,000 Germans at bay with about a third of their numbers and afterwards retired in good order, but in the next twelve days British and French alike were compelled to retreat to a maximum depth of 150 miles.

The two armies were often in danger of losing touch with one another, and Sir John French complained bitterly that he was not kept informed of the movements of his Ally. On August 30 he caused dismay in the British Cabinet by announcing that, being in danger of complete isolation, he proposed to go back behind the Seine and there rest and refit. The Cabinet promptly sent Kitchener to France to deal with this emergency, and though Sir John was much ruffled by his sudden appearance at the front in Field-Marshal's uniform,¹ he succeeded in restoring communications between British and French head-quarters, and thus keeping the two armies in touch.

At the beginning of September the British lay south-east of Paris but in contact with the French armies, which held a line from there to the north of Verdun and thence southward along the frontier to the Swiss border. Paris now seemed to be in extreme danger, and the French Government transferred itself to Bordeaux, followed by large numbers who sought a safer place of residence. The Germans, meanwhile, were doing their best to spread panic, and sent urgent warnings to neutral Governments to withdraw their Ambassadors and Consuls from the French capital, on the ground that they had measures in store which made it impossible for them to guarantee

¹ French's point was that a Secretary of State for War had no right to appear in the fighting line in the uniform of an officer of superior rank to himself. On the point of etiquette French was certainly in the right.

anyone's safety.¹ The American and Spanish declined to move, and Herrick, the American, did invaluable services to both belligerents and neutrals in the next few weeks.

3

Fortunately for the Allies the Germans, too, had made serious mistakes. Being confident of their superiority in the West, they had transferred two Army Corps to the East to meet the Russian attack in East Prussia, which, in spite of its failure, thus rendered a priceless service to the Allies. Before the end of August they seemed to have supposed that both French and British were completely demoralized, and that Paris was at their mercy. Kluck, accordingly, rushed ahead of his colleagues, thinking that they and he had no serious opposition to face. But by this time the Allies were beginning to show signs of life, and General Bülow in the centre, finding himself seriously pressed near Guise, called for support from Kluck, whose instructions till then had been to descend on Paris from the west with his left on the Oise. Kluck responded, but in so doing changed the entire line of his march and now directed it to the east instead of the west of Paris. At this point the Schlieffen plan went overboard, and the Germans now aimed not at enveloping Paris from the west but at driving the Allies south-east away from Paris.

On September 5 Gallieni declared that Paris would be defended to the last, and Joffre, who had kept his head through all the confusion, issued an order intimating that the backward movement had come to an end and that the time had come for an attack. Meanwhile, Kluck was pressing on and had reached a point south of the Marne within twenty-five miles of Paris, and was evidently aiming at driving a wedge between British and French. But he had left a dangerous gap between his own and the Second German army, which was still north of the Aisne. This was Joffre's opportunity, and as soon as Kluck had crossed the Marne and was facing the British he gave the signal for a general offensive. Manoury with the French Sixth Army now attacked from north and west, and being threatened in

¹ Herrick showed me specimens of the warnings he had received when I visited him in Paris at the end of September, 1914. They were evidently intended to suggest that unlimited frightfulness was in store for Paris.

rear and flank Kluck had to bring his troops back across the Marne and in so doing increased the gap between his own and the other German armies. To isolate Kluck and divide the German armies by driving into this gap was now the grand aim of French and British, and it was accomplished in the next five days. There were desperate battles before the end. On the left of the advance the British reached the Marne bridges only just in time to relieve Manoury who was being heavily handled by Kluck. In the centre, Franchet d'Esperey and Foch only just held their own against Bülow and Hausen,¹ both of them now fighting fiercely to extricate themselves from the threatened trap and set their right wing free to close the gap between them and Kluck, who was in extremities between British and French. To the east the Crown Prince and Rupprecht were battering at Verdun and Nancy with strong forces, and it was in no small measure due to the stubborn French defence in that area that the great battle was won.

Moltke, the German Commander-in-Chief, was far away at his head-quarters in Luxembourg and densely enveloped in the fog of war. On September 4 Kluck complained that he was being left in the dark by the other commanders, "whose reports of decisive victories have so far been frequently followed by appeals for support," and said bluntly that he would be unable to make further important decisions, unless he was kept "continuously informed of the situation of the other armies, who apparently are not so far advanced." Just so in the previous week had Sir John French complained that he was not kept informed of the movements of the French armies. Head-quarters might have replied to Kluck that it was his business not to jump ahead of the other armies, but it was quite unable to answer his question. No one knew with any certainty the situation of the other armies, and least of all the Commander-in-Chief. In his perplexity he sent a Staff-officer, Lieut.-Colonel Hentsch, to find out, and gave him full discretion to deal with the Army commanders and sanction any move that they thought necessary. Colonel Hentsch at first took a sanguine view of the situation and advised Kluck that there was no need for him to hurry his change of direction from

¹ It was on this occasion that Foch sent his famous telegram: "Mon centre cède; mon aile droit plie—*situation excellent, j'attaque demain.*"

west to east, with its seemingly dangerous move across the British and French fronts. But with every hour that passed Bülow was becoming more anxious for the safety of his right wing, and by the 6th he had become convinced that immediate retreat was imperative for him and for Kluck if the British and French were not to succeed in their now evident design of driving a wedge between them and enveloping both. Hentsch agreed, and the order was accordingly given to Kluck to fall back in conformity with Bülow, and this necessarily carried with it the retreat of all the armies between Verdun and Paris. They retreated in order and took up new positions behind the Aisne and Vesle.

4

The battle of the Marne has been fought over again in a hundred books and it offers a rich field for critics after the event. Whether the British were too slow in marching into the gap, whether it was Joffre or Gallieni who seized the right moment for the rebound, whether Foch deserves the credit that some assign to him, or is fairly exposed to the criticisms passed on him in the British official history, how much of the credit belongs to Manoury and the French Sixth Army—these and other questions are likely to be debated so long as military history is written. It may be said broadly that the Germans lost control of their armies in advancing, and the Allies kept control of theirs in retreating. Joffre's equanimity, which at times lapsed into somnolence, here stood him in good stead, and in circumstances which would have appalled a lesser and more nervous man he behaved with a cool courage which gives him his rank as a great soldier. But he had beside him two men, Foch and Gallieni, who had precisely the qualities needed to make good his defects, the quick energy and keen scent for rapid action in which he was lacking. For the particular emergency in which the Allies found themselves at the beginning of September, 1914, there could scarcely have been a more effective trio.

By the test of numbers the British played a comparatively small part, but they played it at a critical point, with a force which was generally acknowledged to be the most highly trained unit on either side, and their courage and steadiness have won the warmest praise

from both French and German military historians. The Kaiser strongly denied that he had ever spoken of Britain's "contemptible little army," as was alleged at the time, but the men of the first Expeditionary Force clung to the legend and counted it their highest distinction to have served with the "old contemptibles."

To have forgotten or underrated this little army was one of the cardinal German mistakes. In adopting the Schlieffen plan the German General Staff had apparently assumed that their descent upon Paris would be too rapid for the British force to be on the spot in time to affect the result, and the swiftness and secrecy with which it was transported to France made its appearance in the fighting line one of the few real surprises of the war. It arrived just too late to be involved in the earlier French defeats, but just in the nick of time and in the most favourable position to play its part as the addition needed to tip the balance in the total account.

The Germans failed in precisely the points in which they were expected to be supreme—unity, organization, accurate intelligence; and the French kept their composure in precisely the circumstances in which the volatile "Latins," as the German Kaiser was accustomed to call them, might have been expected to lose it. The former have been much criticized for placing their head-quarters as far back as Luxembourg, but for the seven armies operating on a 200 miles' front this was apparently a central and well-chosen position, and with wireless and aeroplanes it should have mattered little whether it was a little nearer to or a little farther from the fighting front. What failed was regular and accurate intelligence, and it is improbable that the Commander-in-Chief or his Staff could have made good this deficiency by any activity in the fighting line. The over-confidence which permitted the dispatch of two army corps from the West to the East was the beginning of trouble. Except on the theory that the retreating enemy was a beaten enemy, the numbers now at the disposal of the Germans were unequal not only to the Schlieffen plan but to any alternative that could safely be substituted for it at short notice. The attempt to find a substitute was daring and original, but it was doomed to defeat when it encountered an unbeaten enemy who had kept his head and had a plan.

5

Military historians may debate these points, but at the moment the great fact was that Paris was saved. The relief was enormous and the Allies rebounded from their depression to sanguine hopes of a speedy advance which should drive the Germans back into their own territory and end the war. Here there awaited them a bitter disillusion. For though the Marne may be counted one of the decisive battles of the world in that it frustrated the enemy's plan for a speedy victory and threw him back on the war of attrition and exhaustion in which he was finally to prove inferior, its immediate result was that he dug himself deep into French territory and defied the Allies to dislodge him. Standing behind the Aisne and the Vesle, he now began to construct the great trench line which finally stretched from the Swiss frontier to the North Sea. When the line was complete, he was in occupation of one-tenth of France and that, for the purposes of war, the most important tenth. He now had in his possession 80 per cent of the coal, practically all the iron and many of the best-equipped factories and industries in the country—a priceless addition to his own resources for a long war.

But the great standstill was not yet. In the next five months Allies and Germans made desperate efforts to outflank one another, racing, as it seemed, to the sea, but in reality seeking to turn one another's lines until both were brought to a stand by the sea. Leaving the French to contain the Germans on the Aisne, the British were secretly and rapidly transferred to the north, and before the end of October were engaged in fierce and terrible struggles with an always superior German force in the Ypres salient. Acts of incredible heroism were performed in these weeks. Depleted and exhausted, with cooks and sutlers and camp-followers in the fighting line, the little British army fought on. On October 31 the Kaiser himself presided over the battle, and an army order declared the expected break-through to be "of decisive importance, a means to end the war and strike the decisive blow against our most detested enemy." On that day eight officers and 360 men of the Worcestershires drove back many times their number and re-established the line, when it seemed to have broken beyond repair. The defence of the Ypres salient became from

henceforth a matter of pride and honour out of all proportion to its strategic importance. To keep the flag flying in that shattered triangle was an object which had military value precisely because it had little or no military purpose.

A belated but courageous attempt to relieve Antwerp, of which Winston Churchill was the instigator and personal leader, gave material aid to the defence at Ypres by delaying the enemy for five or six days. The Belgians also played their part in a desperate fight on the Flemish plain where they held on grimly in spite of heavy casualties until they were relieved by the opening of the sluices and the flooding of the area from Dixmude to Nieupoort. With an élan which was in marked contrast with his depression at an earlier moment, Sir John French maintained the attitude of attacking a hard-pressed and all but beaten enemy, when an impartial observer might have supposed him to be making a desperate stand in a last ditch against overpowering numbers. For gallantry in all ranks the records of these days can scarcely be surpassed, nor is it easy to find a moment in any war in which a greater service was rendered by a small number. If the battle of the Marne saved Paris, the battles of Ypres saved the Channel ports and defeated the second great German objective.

6

When the struggle around Ypres died down, the great trench line had been established from the North Sea to the Swiss frontier, and so it remained for the next three and a half years, though massed attacks dented it a little this way or that. It descended in a straight line 150 miles from Nieupoort southward, enclosing on the German side the desirable city of Lille and the great coal area round Lens, then passed a little to the east of Arras and Albert and so across the marshland and plateaux of the Somme to Noyon, where the Germans were within forty miles of Paris. From Noyon it turned sharply south-east and thence passed along the heights above the Aisne, through the Champagne country north of Rheims and the forest of the Argonne to a little north of Verdun, then due south in a wide loop round the St. Mihiel Salient whence it was finally carried round to the Swiss border. Every variety of trench, dug-out, and fortification could be found in its 300 miles. Trenches were dug in mud, cut into chalk, drilled

through rock. There was generally a no-man's land ploughed by shells and infested with barbed wire between the two lines, but there were points, as in the Argonne, where Germans and French were within a few yards of one another and engaged in fierce struggles with knives and hand grenades, and drove mines and counter-mines below each other's trenches. The German dug-outs on the Somme were on a scale which suggested an interminable occupation; the French at Verdun had underground accommodation for 60,000 troops which included both church and hospital in its penetralia.

The reader is apt to think of war blazing perpetually all along the 300 miles. The reality was far different. On an average day a spectator might look down from some eminence on trenches in which 100,000 men lay buried and, except for an occasional shell, see no sign or hear no sound of life in all the hours of daylight. For the greater part of the time on both fronts, the life of the soldier was one of lying still in mud, dirt and vermin and seeing that the enemy did the same. For three years out of the four the young men of Europe lay buried over against one another doing nothing. On many sectors there was for months together unbroken peace in which humanity crept in and the combatants eased each other's life by little acts of consideration such as firing their regulation amounts of ammunition at fixed hours when they knew that their enemy would be safely under cover. In some places trenches crumbled, combatants overflowed into each other's territory and strict discipline had to be applied to prevent "fraternizing." Immense boredom and the sense of being confined in a peculiarly squalid prison, knee-deep in dust and mud and plagued with rats and vermin must be counted among the sufferings of the Great War. The British broke this monotony with periodic trench raids, said to be necessary to discover the enemy's positions and strength, but the French frowned on these activities and said "don't stir up the Boche until you need."

But the periods of activity were terrible. After weeks of preparation, one section was chosen for a break-through and incredible weights of metal were hurled from one side to the other. Under cover of this "preliminary bombardment" scores of thousands went "over the top" to be mown down by shells or machine-guns, and were thought to have done well if they advanced the line a few hundred yards when

they were brought up by the enemy's second line of trenches. Incredible acts of heroism were performed on these occasions, and by none more than the flying men who fought their solitary battles in the blue. Nothing like it had been imagined in history or text-book, and commanders on both sides looked in vain for experience to guide them. Every plan they tried had behind it ideas based on the old warfare—breaking through, advancing into the gap, outflanking and rolling up the enemy's line and compelling him to retreat—but one after another broke down against the enemy's reserve line of trenches, and if he went back, it was only to dig himself in again a pitiful half-mile to the rear. In one vital respect the new warfare differed from the old in that the element of surprise was all but eliminated by observation from the air. It was no longer a question of guessing what was going on "on the other side of the hill." Everyone knew and both sides prepared for the same zero hour.

This was the Great War for three and a half years on the Western front, and if we are to understand the movements of opinion and the vicissitudes of Governments, generals and politicians, this background must always be borne in mind. After each failure to break through, the generals remained confident that next time they would succeed, and thus hurling mass after mass against their enemy converted the war into a process of exhaustion in which the test would finally be which could stand the greater sacrifice of life and material. The politicians fretted against the "incompetence" of the generals; the public, very patient and resolute, were yet appalled by the fearful casualty lists and listened anxiously for voices promising ways of escape from this terrible fatality. Everywhere the censorship kept opinion subdued and cultivated the optimism thought necessary for war. But in all countries the same questions were being asked. How long could it go on? What would Napoleon or the great Moltke have done if they had been on this scene? Was there no general with a new plan who could break the iron circle and show the road to victory?

These questions are still being asked after twenty years, and the layman who picks his way through military histories fails to find an answer to them. Given two immense armies with for the time being inexhaustible man-power heavily entrenched on opposing lines, was there any strategy that could have unlocked them or produced

a decision except by the exhaustion of one or the other? Not strategy, but new weapons—tanks, more formidable aeroplanes and poison gases—in the end supplied part of the answer and superseded trench warfare for another even more terrible. But these took time to develop and it must be recorded that from the winter of 1914 to the spring of 1918, strategy stood paralysed on the Western front.

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CHAPTER XLIII

THE WAR—SECOND PHASE

1915

I

EXCEPT that Asquith gave the Secretaryship of War, which he had held himself, into Kitchener's hands, the Liberal Government remained unchanged at the outbreak of war and for eight months later. Though grave drawbacks to it were to develop later, Kitchener's appointment was well justified. He was the one soldier whom the public knew and trusted, and he had a flair for the larger aspects of the situation which was of enormous value at that moment. He was right where many other high authorities were wrong—right in insisting that the Germans would descend from the north-west and that the British Expeditionary Force should not be placed in a position in which it would inevitably be outflanked; right when Sir John French was wrong, in perceiving that instant measures were needed to restore communications between French and British during the retreat from Mons; right in persisting that the war would last three years and require a British force of 3,000,000 men. And, finally, nothing could have been more useful than the appeal which his name made when the new armies were recruited. These were contributions of immense value in August, 1914. His detractors spoke in after years of the "Kitchener legend," but they forgot that only a personality of genius has the power of creating a legend about his person.

On the other hand, having spent most of his life in the East, Kitchener had only very hazy ideas of the working of the British military machine and its relations with the Government. In a few weeks he made short work of a large part of the scheme which Haldane had laboriously built up in time of peace. The General Staff which was

intended to be its pivot, was broken up and scattered through commands in France ; the Territorial Army was ruled out of account.¹ Within a fortnight of the outbreak of war Kitchener disbanded all the civilian Committees of Territorial Associations whose function it should have been to provide the equipment and supplies for an expanding army, and instead issued broadcast appeals to a scattered multitude for the things required by his new armies. Whatever the advantages of raising an entirely new army may have been, a right use of the Territorials and their reserves as already selected military material would probably have averted the shortage of men on the fighting front in the late autumn and winter of 1914. All these were serious mistakes.

2

Everything had worked smoothly in the first weeks of the war. Arrangements for the transition to the state of war made by the Committee of Imperial Defence in the previous years worked perfectly and avoided the panic and confusion on the money-market which some had predicted.² An immediate censorship of the press became necessary, and the military mind was often at sea as to what should or should not be published, but the newspapers accepted the inevitable with composure. The escape of the *Goeben* and *Breslau* in the first days of the war was an annoying incident, but its serious political consequences in influencing the decision of the Turks to join the Central Powers were not realized at the time. At the end of the first three weeks the Government had won high praise for the secrecy and celerity with which the army had been transported to France, and for the good order in which the country was developing its resources for war. But the retreat from Mons came as a shock to

¹ It was difficult to persuade Kitchener that the British Territorials were not, like the French, elderly men who might be used to guard arsenals and bridges or quell civil disturbances but were too old for service in the fighting ranks.

² Asquith had interviews with business men from the City who were predicting that the whole system of credit would break down, and he records that "they were the greatest ninnies I ever had to tackle. I found them all in a state of funk like old women chattering over tea-cups in a Cathedral town." ("Autobiography of Margot Asquith," Vol. II, p. 161).

a public which had expected to learn of a rapid advance, and exaggerated and panic-stricken accounts of the scene in France which had somehow passed the press censor increased the gloom. The immediate effect, however, was to give a strong impetus to recruiting, and men flocked to the colours in embarrassing numbers in response to the Kitchener appeal. In these days the talk of "business as usual" died down, and a new and grimmer attitude to the war took its place.

Hopes still ran high that Russia, with her unlimited man-power, would advance on Germany from the east and compel the enemy to withdraw a large part of his army from France for the defence of his homelands. It was even believed that a Russian army, brought secretly by sea to Scottish ports, was on its way through England to reinforce the Allies in France and Belgium. This legend was not discouraged by the authorities, and a thousand witnesses were ready to attest that they had seen the Russians in transit. Russia did in fact perform a signal service to the Allies by her attack on East Prussia before the battle of the Marne, but that ended in the terrible disaster of Tannenberg, and, being ill-equipped and short of rifles and munitions, she had all she could do at this time to prevent an Austrian invasion of Poland and hold her own against a German attack on Warsaw.

As these hopes flickered and died down and the lines became fixed on the Western front, Kitchener's view that the war would last three years and require three million British soldiers began to sink in. The area of conflict was greatly extended at the end of October, when Turkey entered the war on the side of the Central Powers. British diplomacy was much blamed for this, but from the time that the *Goeben* and *Breslau* had escaped the British fleet and found their way to Constantinople, it had had a very poor hand to play. The Turks were under a secret pledge to join the Central Powers at the first convenient moment, and it is extremely improbable that they would have been stopped by anything less than a formidable display of power. But with the two great warships holding Constantinople at their mercy, this advantage was wholly on the side of the Germans, who forced the issue for the Turks by shelling the Russian Black Sea ports (Oct. 28). No single event did more to hamper the Allies as the war went forward. The principal road by which the Russians might

have been supplied with munitions was now cut off, and the Central Powers provided with a strong bastion against being outflanked in the East. At the same time the presumption gained ground among the neutrals of the Near East that the Central Powers were likelier to win the war. For Bulgaria, which was thirsting to be avenged on the Serbs for her humiliation in 1913, this was an argument against which Allied diplomacy was to beat in vain.

3

Anxious watchers and critics—some of its own household—were now beginning to rise up against the Government which, before the end of the year 1914, was in a morass of unforeseen problems and difficulties. The party truce had held for the purposes of the war, but trouble broke out again in September¹ when Parliament re-assembled and the Home Rule and Welsh Disestablishment Bills were due to be placed on the Statute-book. Once more the King offered his services to procure accommodation on the Irish question, but as Asquith put it, "the old bother about Tyrone and those infernal snippets of Fermanagh and Derry popped up again,"¹ and in the end the Unionist leaders would have nothing less than that the Bill should be submitted to whatever Parliament there might be at the end of the war—to which the Irish objected that they would be in a far worse position than if there had been no war. Asquith was reduced to carrying the two Bills through the House of Commons under the Parliament Act, while attaching to them a suspensory Bill deferring their operation for twelve months or to a later date, if the war were not over by then. He also pledged himself to give Parliament the fullest opportunity of passing an amending Bill to the Irish Bill, such as had been contemplated when the war broke out, and in the meantime not to use force for the coercion of Ulster. This did not appease the Opposition, which walked out in a body after Bonar Law had made a vitriolic speech in which he quoted against Asquith a passage from his famous speech in the previous August charging the Germans with bad faith in violating the neutrality of Belgium. The public were not a little shocked at these manifestations of the old Adam when the country was at war, and two years later all parties were regretting

¹ "Memories and Reflections," pp. 32-3.

that another opportunity had been lost of burying the Irish hatchet and enabling the Irish to play whole-heartedly the part in the war to which their leader, Redmond, had pledged them.

Before the end of the year 1914 French and British alike were faced with the great strategic problem of breaking the deadlock on the Western front. All humane men were agreed that almost any alternative was preferable to the war of attrition and exhaustion which now seemed to threaten in France and Flanders, and, so far as that object was concerned, Lloyd George had all his colleagues with him on January 1, 1915, when he launched an elaborate memorandum protesting against the conclusion that such a war was inevitable. He had less sympathy when he proceeded to attack the generals for incompetence and lack of foresight. They had played their part in the great victory of the Marne and were at that moment holding on desperately against heavy odds to their thinned and threatened lines in Flanders.

Still more, Lloyd George seemed to be straying outside the practical when he proposed that the entire Expeditionary Force, "with the exception of a general reserve to be kept temporarily near Boulogne," should be withdrawn from France and transferred to the Balkans to operate against Austria. There was no responsible man who could have ventured to lay this proposal before the French, and the soldiers were unanimous that, if it were carried out, it would almost certainly lead to a speedy German victory.

Much ink has been expended on the controversy which followed between "Easterners" and "Westerners," but from the historical point of view it has little importance. The transfer of any but a small part of the British army from the Western front to any other theatre was at no time, from now onward to the end of the war, a serious possibility. It was inherent in the alliance between ourselves and the French that, so long as their country was in occupation by the enemy and exposed to irreparable disaster if the defence failed, they should object to any strategy which did not treat it as the main theatre of war. We might believe that the Western front was "over-insured," but they lived in constant fear, well justified by experience, that the insurance was not sufficient.

This consideration governed the case from first to last, but it was reinforced by practical considerations. The Germans held the interior

lines which enabled them to move their forces rapidly and safely from one point to another of the great circle, whereas the Allies had to move round it, and, if they attacked in the south and east, had long and difficult communications by sea, which made it impossible for them to transport and reinforce their armies quickly or to change their direction as the enemy changed his. Thus, if the British army had been removed from France to Salonica for an expedition through the Balkans, it would have been possible for the Germans in a few days to concentrate their forces on the part of the line thus depleted and perhaps win a decisive victory. Moreover, though to the eye of faith looking at the map there seemed to be unlimited opportunities for an imaginative strategy, there were in fact no suitable bases in the Eastern Mediterranean for the large operations contemplated. Docks, wharves and warehouses were lacking; roads and railways (where they existed) led into difficult and malarious country, and as the war went on the sea-routes for supply and reinforcement were more and more infested with mines and submarines. All these were fatal obstacles to any Eastern strategy on a large scale.

4

But there remained the question whether such forces as could be spared from the Western front might not in combination with the fleet strike a heavy blow at some carefully chosen point. To this the Cabinet addressed themselves at the beginning of the year 1915, and after considering other possibilities, such as a landing on the North Sea coast of Germany, decided that a plan for forcing the Dardanelles offered high hopes of success. On paper there was everything to recommend it. If successful, it would throw the Turks out of action, open the road for supplying Russia, probably bring the wavering neutrals, Italy, Bulgaria, Greece and Rumania to the side of the Allies, save Serbia and seriously threaten Austria. The prospect could not be painted in too glowing terms, and Churchill, the First Lord of the Admiralty, was on fire for it.

The development of this plan has been described in detail from official records in the "Life" of Asquith,¹ and the causes of its ultimate failure may be traced in its incubation. A recent Russian defeat had

¹ Vol. II, Ch. XLI.

increased anxiety about the Western front, and only with the greatest reluctance, and after long delays and waverings, could Joffre and Sir John French be induced to consent to the withdrawal of the British 29th Division which was needed for the new enterprise. During the period of indecision the War Council was led to believe that, even if this division could not be spared, the Turkish forts could be demolished and the Dardanelles forced by naval action alone, or with the support of a small landing force. It was further said to be the special merit of this plan that, if it failed, it could be broken off without loss of prestige or any other untoward consequence. By this time the *Queen Elizabeth* was on her way out, and the old battleships, which were intended to force the Narrows when her guns had demolished the Turkish forts, were being concentrated on the spot.

It was not until March 10 that the War Council was informed that the troops could be released from France, and in the meantime Churchill had been pressing for an immediate attack by the fleet. This was sanctioned, and on March 18 it was delivered, and failed. Admiral de Robeck reported that the menace of mines was much greater than had been reported and argued for delay while a combined military and naval operation was prepared. The War Council accepted this view, and a long pause followed while Sir Ian Hamilton, who had been appointed to command the land forces, made the necessary preparations. By this time the French had released a division of their own to accompany the British, and plans had to be concerted with General d'Amade who commanded it, and their part assigned to the Australian brigade, which also had arrived and been disembarked in Egypt. The whole expedition had to be landed in Egypt and re-embarked in the order for attack.

With all this stir of preparation there could no longer be any question of breaking off the attack without loss of prestige, and it was clear before the end of March that Great Britain stood committed to a formidable naval and military enterprise in the Eastern Mediterranean. But the premature naval attack had done the fatal mischief of giving Turks and Germans long warning and they too had been feverishly at work strengthening their defences and bringing up reinforcements with modern guns. When on April 23 the joint naval and military attack was delivered, it was robbed of the element

of surprise, and three days later Hamilton was obliged to report that in spite of heroic efforts and many acts of the greatest gallantry on the beaches of Gallipoli, the dominant heights were still in the hands of the Turks, and that conditions of trench warfare had supervened which he could not hope to break down with the forces at his disposal. Failing a surprise attack, the conditions in Gallipoli were specially unfavourable. The Peninsula was long and narrow; the few landing places small and exposed to shell-fire; the opposite shore, a few miles across the Narrows, was in the hands of the enemy, whose mines and guns made attack by the fleet precarious or impossible. The Allies who had hoped to escape trench warfare now found themselves committed to it in peculiarly unfavourable circumstances.

5

The Government was soon in deep waters. On top of the disappointment at the failure in the Dardanelles came the resignation of Lord Fisher, the famous and popular First Sea Lord, bringing the first intimation to the public that there had been serious differences of opinion about this enterprise. Simultaneously a quarrel was raging about munitions, to an accompaniment of unstinted newspaper publicity, for which generals in the field and members of the Cabinet provided material on the plea that the blindness or dilatoriness of the Government made it necessary to appeal to the public over their heads. Post-war memoirs bear witness after twenty years to the acerbity with which this controversy was conducted, and by April, 1915, it had gone far to destroy harmony in the Cabinet.

Every allowance must be made for honest indignation at the plight of soldiers under a rain of shells to which they were without the means of replying, and this in the first months of the war was the hard fate of all the belligerents at some point or other on the line. German as well as French records are filled with the complaints of the fighting men on this subject, and it was human and natural that they should blame the supineness of their Governments. The British Government was in a peculiar difficulty. The little professional British army was without the great arsenals and basic establishments which made expansion comparatively easy for French and Germans, and the

Government was driven to a rapid improvisation with the aid of private manufacturers which raised all manner of difficult questions, questions of the kind and quality of munitions needed, questions of safety, question of the "dilution" of labour and its remuneration, and the necessary waiving of Trade Union rules and regulations. If Kitchener deserves the credit for having rightly estimated the manpower that would be needed, Lloyd George deserves it for having rightly estimated the gun-power, and his drive and energy were of enormous service in these weeks. But his quick temper, his distrust of soldiers and impatience with experts and officials, who deemed it their duty to make sure that high explosives did not explode the wrong way, and who seemed to him to take an interminable time about it, did not make for smooth relations between fellow-workers. Asquith was often at his wits' end to compose his quarrels with Kitchener, whose mistrust of civilians was at least the equal of Lloyd George's of soldiers.

The great armament firms did their best, which Kitchener and his officials thought very good, but it was soon necessary to supplement them with private manufacturers, many of whom in their zeal promised what they could not perform, and by not delivering threw the time-table out of order. There was the further complication that the soldiers in the field wavered in their requisitions between shrapnel and high explosives, and threw plans out of gear by a sudden change over from the one to the other. This, too, was natural and reflected the course of the war. While they still hoped to break through the trench lines and resume war in the open, they asked for shrapnel; when at length they were compelled to resign themselves to the battering of trenches and barbed wire, they asked for high explosives. But not without reason Kitchener and Asquith considered that Sir John French had treated them very unfairly when he had persisted in his attacks at Neuve Chapelle and Festubert, after assuring them that "the ammunition would be all right," and then, on failing, rounded on them for having neglected to supply him. Sir John French not only did this, but sent two of his Staff officers to London to prime newspapers with material to attack the Prime Minister and the Secretary for War. Both Cabinet and military discipline were very loose at this moment, and there was no slight danger that the control of

events would pass from the Cabinet to the newspapers, some of which gave themselves the airs of dictators.

6

However the machine may have creaked and groaned, and in whatever proportion praise or blame must be distributed, the various parties to this controversy had between them performed the considerable feat of increasing the supply of munitions nineteen-fold by April, 1915, and providing the means of a supply which sufficed for many months until the new Ministry of Munitions was in operation. But the publicity given to their quarrels had done its work and between the questions now being asked about the Dardanelles and the agitation about shells Asquith found that it was impossible to go on with the Liberal party-government with which the country had entered the war. In a letter on May 17 Bonar Law put it bluntly that he and his Conservative friends must either be invited to share the responsibility, or put questions in Parliament which might lead to very undesirable debates. This request was quite reasonable. If an Opposition was deprived of its Parliamentary weapons, it had a fair claim to be taken into confidence and play its part in the administration. National Government was the logical corollary of the party-truce.

Stipulating only that the offices of War Secretary and Foreign Secretary should remain unchanged, Asquith proceeded to reconstitute his Government, shedding many of the Liberal old guard and taking in the Unionist leaders, Balfour, Lansdowne, Bonar Law, Curzon, Carson, Austen Chamberlain, Walter Long, Selborne. Mr. Arthur Henderson came in to represent Labour, but John Redmond declined on the ground that "the principles of history of the party he represented" made acceptance impossible. Another and more glaring omission was that of Haldane, the author of the Expeditionary Force and Territorial Army, whom Haig in after days hailed as the greatest War Minister of our time. But the prejudice against Haldane was an obsession beyond reason or argument at that moment, and the Unionist leaders were obdurate against his inclusion. They said that, whether the feeling against him was well or ill-founded, it had a vogue which would be damaging to the Government if he were included. This was discreditable but true, and Asquith beat against

it in vain. But the struggle on this point nearly broke the new combination at the start, and if Asquith and Grey consented it was only as a stern necessity in war-time.¹

With this exception the new Government included all the talents, and its formation had the immediate effect of steadying opinion and restoring confidence. But as an instrument for conducting war, it was to prove the least efficient of the three Governments of the war period. The able men who now came in were reluctant to delegate their responsibility to a War Council; they wanted to know all about everything including the course of events before their arrival, and some of both parties had their eye on their political followers and were apt at critical moments to consider what these would approve as well as what the war situation demanded. Asquith in the next eighteen months performed miracles in composing their differences, and he did it with such impartiality as to be left almost without personal following when his own crisis came, but the process exhausted his energies and deprived him of the appearance of leading and driving which the occasion demanded.

7

For the Dardanelles Expedition the change of Government at this moment was wholly bad. The entire question had now to be explained and re-argued from the beginning, and while the new Cabinet was being instructed the Turks were reinforcing and digging in. On June 18 Asquith informed the King that there was still "considerable divergence of opinion" about "committing the Government to an offensive strategy on a large and increasing scale," and by this time all the old doubts about the safety of the Western front had set in again. In spite of the disappointing results so far, the French were still persuaded that safety lay in taking and keeping the offensive, and were preparing for another grand joint attack in the autumn.

¹ The prejudice against Haldane had little more foundation than that he had once said, in speaking of the philosophical studies which he had pursued at Göttingen under Lotze in his youth, that "Germany was his spiritual home." The records show him to have been much more concerned about the danger from Germany and the necessity of taking measures against it than many of his colleagues.

Between May and August the Russians suffered tremendous reverses, and all Europe resounded with the noise of their retreat and the fall successively of Przemyśl, Lemberg and Warsaw. More insistently than ever the French repeated that the West must not be denuded for the sake of any Eastern side-show, and it was well on into July before the Cabinet decided that reinforcements could be spared to enable the attack on the Dardanelles to be resumed.

These reinforcements again proved insufficient, and on August 6 the attack—this time from Suvla Bay—failed, like the previous effort, to gain the dominant heights. Whether this was due to mishandling or to the impregnable nature of the defence was much debated at the time, but in either case the fact remained that a still larger force would be required if the enterprise was to be carried through. At the beginning of September there was hope even of this. For to the surprise and pleasure of the British Government the French Government suddenly announced that it was willing to send four divisions to the Dardanelles, two of them to operate on the Asiatic shore and two on the Peninsula, according to a plan which had better have been adopted from the beginning. But no sooner was hope raised than it was dashed. For it now appeared that the French (for reasons that were partly political) had made an exception to their own rule of concentration in the main theatre in favour of an expedition to Salonica; and a fortnight later they announced that they were dispatching a large force to that port and expected, were indeed relying on the British Government to do the same. No more was said about reinforcing the Dardanelles. The plea now was that it was imperative to do something to help Serbia, encourage Greece and steady Bulgaria, whose neutrality was wavering under the influence of German and Austrian successes. The French had not waited to consult the British before acting. On October 1 Asquith had to inform the Cabinet that a French division from Cape Helles was then on its way to and had possibly arrived at Salonica, and was relying on British support.

To reinforce the Dardanelles on the scale required for success had now become impossible, and Kitchener, who went out in November to consider the position on the spot, reported that it was the unanimous opinion of the soldiers that, failing reinforcements, the expedition should be withdrawn and the Peninsula evacuated. Evacuated

it was in secrecy and silence on the night of December 20, and, to the enormous relief and surprise of the Government and all the military authorities, without the loss of a man.

Nowhere had the fighting men shown greater courage in adversity or performed more thrilling feats of valour than on this barren and rocky Peninsula. To Australians and New Zealanders especially, the doings of the Anzacs (the famous Australian and New Zealand Army Corps) will always be a proud memory. Was it all in vain? The same question may be asked of a dozen other stupendous efforts which seemingly failed in their purpose during the war. Gallipoli was certainly not fruitless. By exhausting the military strength of the Turks it secured Egypt against invasion, and paved the way for the operations which broke their Empire and drove them out of Mesopotamia and Palestine. These were considerable items on the credit side of the great account which was now piling up.

8

The one gleam of light in the year 1915 was Italy's declaration of war upon Austria, which took place on May 23. For a time it was hoped that the Italians would drive Austria out of the war, but the mountain barriers between the two countries were formidable obstacles, and when General Cadorna struck east towards Trieste and attacked the Austrians on the Isonzo he was held up at the trench line which they had constructed on the flatter country between the Julian Alps and Trieste, and there, too, trench warfare set in. On the Western front everything went wrong. The great offensive which Joffre had prepared for the autumn gained small results at great cost. In Champagne the French carried the first and second lines of German trenches, but in spite of an immense concentration of men and guns failed to break through against the German reserves. In the north the joint operations of French and British were a disaster somewhat masked by a spectacular capture of prisoners and guns. Foch failed to capture Vimy Ridge; the attack at Loos was a highly confused operation in which Haig and Sir John French were at cross-purposes, and the timing of operations between them and the French was much at fault. Here again the losses were immense and the gains trivial. At the end of the year Sir John French ceased to be Commander-in-Chief, and Sir

Douglas Haig was appointed to fill his place. At the same time Sir William Robertson was made Chief of the General Staff, which in his hands became the reality that it was intended to be. The two men were Asquith's choice, and their appointment was to have momentous consequences before the war ended.

In October Bulgaria threw in her lot with the Central Powers. British diplomacy fought hard to avert this blow, but no argument could induce either Russia or Serbia to make the concessions necessary to persuade the Bulgarians to fight on the same side with the Serbs, whom they held responsible for their humiliation in the Balkan wars. The Serbs said they would rather perish than yield, and Russia supported them. Tsar Ferdinand, moreover, was an opportunist who looked to the balance of forces, and at this moment he had plausible ground for thinking that Germany and Austria were more likely in the final account to be in a position to make good their offers than the Allies. In this he was mistaken, but for the time being the addition of Bulgaria to their enemies was a serious complication for the Allies. It opened the door to a joint attack on Serbia by Germans, Austrians and Bulgarians, who overran the country and drove the Serbian army to take refuge in the mountains of Albania, whence after grievous suffering in an Arctic winter they were gradually extricated and taken to Corfu for rest and re-equipment. This caused a painful impression in England and gave the "Easterners" an opportunity, of which they loudly availed themselves, of saying "we told you so."

But none of the Eastern diversions prospered. Salonica provided the Allies with a base for their final attack on Bulgaria in September, 1918, but for the next three years it was little more than an uncomfortable prison for the Allied armies. The fall of Venizelos, with whose connivance they had occupied the place, reduced them to the position of unwanted and embarrassed guests under suspicion of having violated neutrality and always liable to unfriendly acts on the part of their compulsory hosts. There were frequent quarrels with King Constantine, who was supposed to be under the influence of his brother-in-law, the Kaiser, and Sarraïl, the French commander, was of a disposition which made it extremely difficult for the other Allies to keep step with him. The various offensives attempted from Salonica were nearly all failures; the country was malarious; the ways into

Macedonia were mountainous and difficult, and there was only a single line of railway. For operations on a large scale there could scarcely have been a more unsuitable base, though it served a purpose when all the fronts were breaking.

A last drop of bitterness at this anxious time was the disaster which befell the Mesopotamia expedition in the winter and spring of 1915-16. General Townshend, who commanded it, had rapidly advanced on Bagdad and was within a few miles of it when he was cut off by Turkish reinforcements and compelled to take refuge in Kut-El-Amara. There he was besieged till the following April when starvation compelled him to surrender. This reverse was retrieved two years later when General Maude drove the Turks back and took Bagdad, but it was aggravated at the time by the evidence of bungling on the part of the Government of India which had made itself responsible for these operations. A Royal Commission commented severely on the inadequacy of its preparations and especially on the faulty provisions which had inflicted terrible sufferings on the wounded.

CHAPTER XLIV

THE WAR AT SEA

I

WE may pause at this point to consider the part played by the British fleet in the war. Though little understood at the time by the soldiers in any of the belligerent countries, this was absolutely vital to the Allies. As Churchill has put it, the Commander-in-Chief of the British fleet was the one man on either side who could have lost the war in an afternoon. Had the British fleet been defeated, British co-operation with the French would have become impossible, Germany would have been relieved from the blockade, and with unlimited supplies and superior man-power would have had France at her mercy in the war of exhaustion. This dominant fact must be borne in mind in any judgment on the conduct of the naval war. Daring and risky exploits, win-all or lose-all strategy, were, in the opinion of the British Admiralty and Government, barred from the beginning as incompatible with the immense responsibility which rested on their shoulders and theirs alone.

At the outbreak of war the British fleet had a 65 per cent. superiority over the German and, combined with the French, a still larger preponderance over the German and Austrian. But the British fleet had tasks assigned to it which made its superiority at any given point less assured than it seemed to be on paper. It had to guard the long eastern coast-line of England and Scotland, which was so ill-provided with harbours that not until several months after the outbreak of war was a safe submarine-proof base constructed at Scapa Flow in the south of the Orkneys. It had to protect the Channel crossings; it had to provide escorts for troops coming from India and the Dominions; to hunt down commerce-destroyers and raiders, and to

prevent contraband and supplies entering Germany; and it was engaged in at least one considerable operation in the Mediterranean. To perform all these duties and keep a sufficient force concentrated in the North Sea to deal with an attack in force which might at any time be expected from the German High Seas Fleet strained its resources to the utmost in the earlier months of the war, and called for a constant effort in new construction and replacement as the war went on.

The German strategy was that of the inferior fleet, acknowledging itself inferior but hoping to wear down the margin of its enemy either by catching and destroying units which had temporarily become detached from the main body, or by the use of mine and submarines. Only when this process had gone forward was the High Seas Fleet to try conclusions with the Grand Fleet. This strategy has been much criticized and especially by the Germans themselves, on the ground that they could afford to risk their fleet without being much worse off if they lost it, and that a bold offensive at the beginning of the war might have crippled the British fleet far more effectively than mine or submarine, and might have prevented or delayed the transport of the British army to France and have kept the British people in a livelier state of alarm about invasion. However this may be, the British Commander-in-Chief was never in a position to treat lightly the effort to reduce his margin. In the first months of the war three armoured cruisers, the *Aboukir*, *Hogue* and *Cressy*, were torpedoed off the coast of Holland and another off Peterhead, and a new first-class battleship, the *Audacious*, was mined off the coast of Ireland.

It was true that two could play at this game, and in a raid into the Heligoland Bight in August, 1914, Admiral Beatty sank three German cruisers and one destroyer, but the uncertain hazards of mine and submarine imposed caution on the British High Command. Unremitting efforts in mine-sweeping and scouting reduced this risk, but could not eliminate it. It was from the beginning a serious part of the German plan to lure a portion of the British fleet into waters in which submarines were lying in wait, or on to minefields through which the attacking force could escape, but in which its pursuers would be caught. Similarly the raids on Yarmouth, Hartlepool, Scarborough and Lowestoft—which were denounced at the time as wanton attacks on undefended towns—had the serious object of creat-

ing a demand for local protection which might have weakened the main fleet and exposed any part detached for that purpose to attack by superior force.

2

Clearing the seas of commerce-raiders was accomplished by the end of 1914, but not without effort and serious losses. Von Spee was at large in the Pacific with two armoured and three light cruisers, and on October 27 he caught his pursuers off guard near Coronel on the coast of Chile and made his escape after sinking the *Good Hope* and *Monmouth*. On hearing of this disaster the Admiralty took the bold decision—bold because the margin in the North Sea was at that moment none too great—of dispatching a powerful squadron of three battle-cruisers (*Invincible*, *Inflexible* and *Princess Royal*) with their complement of light cruisers under Admiral Sturdee to bar Spee's passage round the Horn and bring him to action. Sturdee caught Spee at the Falkland Islands, and having an immense superiority wiped out his squadron (*Scharnhorst*, *Gneisenau* and *Nürnberg*) with the exception of *Dresden*, which remained at large a few weeks longer. It was smart work neatly accomplished, but Spee fought gallantly to the last, refusing to strike his flag and perishing with his two sons and 1,800 men. A few weeks later the three remaining raiders, *Emden*, *Dresden* and *Königsberg*, were run down, but not before they had done considerable damage. The *Emden* bombarded Madras and sunk 15 ships before she was met by the Australian cruiser *Sydney* at Keeling Island and driven ashore, a burning wreck.

On January 23, 1915, there was a lively action on the Dogger Bank, in which the Germans lost the *Blücher*, and two of their battle-cruisers were seriously damaged, and the British *Lion* only just limped home. But it was not till May 31, 1916, that the first and only encounter between the two fleets in their full strength took place in the battle of Jutland.

The literature of this battle is enormous, and the layman who plunges into it finds himself involved in a technical controversy about which expert opinion is deeply divided. History is mainly concerned with the broad results which were (1) that the German fleet escaped and (2) that it was never again able to put to sea. Captain Persius,

the well-known German naval commander, said in discussing the question soon after the war was over : " Our fleet losses were severe, and on June 1, 1916, it was clear to every thinking person that this battle must and would be the last one. Authoritative quarters said so openly." The battle thus left the British command of the sea unchallengeable and the blockade of Germany unbroken. On the other hand, the escape of the German fleet left the Germans in possession of impregnable naval bases from which to wage their submarine warfare, and removed the last hope of forcing their blockade of the Baltic and bringing relief to Russia by that road. It may therefore be reckoned as a contributing cause to the Russian Revolution of 1917.

Judgment on the conduct of the battle must be related to all the circumstances. Jellicoe, the Commander-in-Chief, had been appointed as the man most likely to carry out the general idea on which the Admiralty had decided to conduct the war at sea—the man least likely to risk the whole Allied cause by heroic bravado. He was cool and courageous, able and cautious ; he could be relied upon not to exceed his general instructions. He fought the battle of Jutland on the lines agreed between him and the Admiralty. Critics after the event said that if he had done this or that—if he had not turned to avoid torpedo attack, if he had attached more importance to one kind of intelligence and less to another—he would have succeeded in destroying the enemy's fleet instead of merely driving it back to its ports. He would no doubt have done so if he had possessed their knowledge of the enemy's intentions and disposition, but he was feeling his way through fog and darkness on a sea which he had every reason to suppose was infested with mines and submarines, and he had on his shoulders a responsibility greater than any borne by any single commander in the whole war.

The battle has been described as a chance encounter, and it was so in the sense that neither side was aware that it was to meet its opponents in full strength until comparatively late in the day. But it was also an inevitable result of the more enterprising strategy of the new German commander, Scheer, who had broken the long lethargy of the German command by putting to sea in the hope of engaging some detached portion of the British fleet. Both sides at the beginning had the same hope and Admiral Beatty running south from Rosyth

might reasonably have expected to cut off and destroy any isolated German squadron. But when he discovered the presence of the whole High Seas Fleet and drew it after him in his turn north, after the destruction of the *Indefatigable* and *Queen Mary*, a general engagement between the two fleets followed of necessity.

The public, still cherishing memories of Trafalgar, had thought of a stupendous encounter of massed fleets on a few square miles of sea, leading to a rapid decision by the destruction or surrender of one side or the other. The modern battle could not conform to this model. Owing to the immense range of modern guns, the opposing ships were generally ten or twelve miles apart, often doubtful of each other's position, relying for their knowledge on wireless either from other ships or, on the British side, from the Admiralty in London, which was feverishly engaged in picking up the enemy's messages and passing them on to the fleet. Signals were difficult to read and often misread, wireless was thrown out of action by shell-fire. The story of the battle is that of contacts made and lost, engagements begun and broken off, the enemy lost sight of or undiscovered at critical moments, and finally escaping in fog and darkness. Possibly he would not have escaped, if at a critical moment the Admiralty had not failed to pass on an intercepted German message which indicated that he was retreating by way of Horn's Reef. Without some such clear indication Jellicoe could not have been expected to risk his fleet on a night pursuit.

If the result depended on a comparison of losses, the advantage was greatly with the Germans. Their losses in men and tonnage were only half as great as those of the British. Two great British battle-cruisers were destroyed outright for lack of a simple device to protect their magazine from the flash of an explosion. The British shooting, according to many accounts, was superior to the German, but the German shells being fitted with a time fuse which delayed their explosion until they had pierced their opponents' armour did greater damage than the British, which exploded on contact.¹ Finally, the German ships were better equipped than the British to withstand under-water attack. This was from no neglect or faulty designing

¹ This is disputed by Sir Roger Keyes who holds that the British shells were quite as destructive as the German.

on the part of the British Admiralty. It followed simply from the fact that the Germans built their docks first and their ships afterwards which enabled them to build ships of broader beam and heavier armour under-water than the British who reversed this process, and built their ships to conform to the available docks.¹ In this way they got a long start in numbers but paid the price in lighter armaments. Full inquiry after the battle brought out all these points for the future instruction of the Admiralty.

3

Nothing of importance happened at sea from now to the end of the year, but the conclusion of the Germans that no further challenge could be offered to the British fleet above water played a large part in the decision which they took early in the following year to adopt the unrestricted submarine. At this point we see military and naval history converging on one of the most vital decisions taken by either side during the war.

The minutes of the evidence given in November, 1919, before the German Committee of Inquiry into the war present a vivid picture of the agitations and heart-searchings in the German higher commands at the end of the year 1916. It was the opinion of both soldiers and sailors that Germany was in the gravest peril. Hindenburg and Ludendorff agreed that her military effort was all but exhausted and that, unless some new method could be found, she must inevitably drift to disaster and defeat. The submarine used ruthlessly, sinking without trace both neutral and enemy ships, was in their opinion such a method, and would infallibly bring Britain to her knees within six months. Those who doubted raised the objection that the United States would come in on the side of the Allies, but this was brushed aside as unimportant. The war, it was said, would be over before the Americans could be brought to Europe, and in any case the submarine would bar their passage.²

Bethmann Hollweg, according to his own account, fought these

¹ On this point see Jellicoe, "The Grand Fleet," p. 317.

² Official German Documents relating to the World War, Carnegie Endowment Translation, Vol. I, p. 340 *et seq.*

conclusions all through December, but in the end succumbed to the joint pressure of naval, military and public opinion. He pictures himself as torn between conflicting responsibilities—that of opposing and that of resisting a course which he thought disastrous—and as choosing in the end what seemed at the time to be the less evil of two evil alternatives. "The responsibility of having prevented the use of an instrument of war which was demanded by such pre-eminent authorities for reasons given, and which was looked upon by the great masses of the people at home and in the trenches and by the majority of the chosen representatives of the people as the only, but also certain, method of saving us from destruction—this responsibility was the tremendous and terrible burden—the enormous dead-weight which bore down upon me in those days and hours." Arriving at Army Head-quarters at Pless on January 9, 1917, he found that the decision had already been taken *de facto*. The Supreme High Command and the Admiralty Staff were for their part determined to carry on the U-boat war. The Emperor stood behind them. Faced with the probability that if he resigned he would be charged with having encouraged the enemy and raised doubts in the public mind, Bethmann Hollweg accepted their decision and remained. Six months later he was the principal scapegoat for the failure of the ruthless submarine.

The story of that will be told in its place, but we may note in passing the limitations of the contemporary vision of events. The Allies were quite unaware of the extent to which they had broken the military power of their enemy and, like that enemy, were casting about for new methods to avert disaster. The Germans had no presentiment of the collapse of Russia which in the coming year was to give them a new lease of military life, and in the meantime took the one step which more than any other sealed their fate. By inviting the hostility of the United States they robbed themselves of the advantage which they might otherwise have reaped from the defection of Russia, and brought a new enemy on to the scene whose immense reserves of men and money were finally to make their position hopeless.

The sinking of the *Lusitania* had tried American patience to the utmost, and in face of the warnings of their Ambassador in Washington they could not have supposed that President Wilson would decline the challenge of the "unrestricted submarine." They did not suppose

it. Just as in August, 1914, when they decided to invade Belgium, they gambled on finishing the war before the British could be on the scene, so now they gambled on finishing it before the Americans could appear in Europe. In both cases they lost, and the two gambles together decided their fate. Nothing contributed more to the ruthless terms which were finally imposed on them than the "ruthless submarine."

4

For the first two and a half years of the war the navy was in a chronic state of irritation at the restraints imposed on it in dealing with contraband. Zealous naval officers were persuaded that they could easily prevent things essential for the making of munitions, such as copper, cotton and nitrogen, from reaching Germany, and many believed that they could have stopped the war after two years by this means alone if they had not been prevented by the timidity of civilian statesmen.

The supposition is highly improbable, for the Germans showed an extraordinary ingenuity in finding substitutes for these supposed essentials when finally they were cut off. In the early days, Grey, as Foreign Secretary, had to bear the brunt of the attack on this subject. He had to choose between letting these commodities pass and sanctioning measures which might have produced a dangerous quarrel with the United States, and he held firmly to the view that of the two evils the latter was far the greater. The arrest of the American cotton crop on its way to Europe would probably have raised a demand in America for its convoy by warships with the accompanying danger of a collision with the British fleet, and would almost certainly have led to reprisals in the shape of an embargo on the stream of munitions which were coming from the United States to the Allies. In any case it would have created a state of feeling extremely unfavourable to the participation, which Grey always had in mind, of the United States in the war on the side of the Allies.

The dangers and difficulties of the situation may be read in the correspondence of Walter Hines Page, the American Ambassador in London, and they could scarcely have been avoided but for his warm personal friendship with Grey and his unshakable belief in the justice

of the Allied cause. Within the limits of his neutrality¹ Great Britain could hardly have had a better friend in need, as is acknowledged in the memorial to him erected after the war in the cloisters of Westminster Abbey. Grey and Page together smoothed down or circumvented the chief difficulties, but that could only be done by respecting American susceptibilities in a manner which, since no explanations could be made at the time, seemed inexplicable and pusillanimous to many naval officers and was hotly denounced by the popular newspapers.

As the chief Naval Power, Great Britain before the war had stood for the largest belligerent rights in time of war, and as the principal presumptive neutral, the United States stood for "the freedom of the seas" in war as in peace. But in the last years before the war Great Britain had so far modified her doctrine as to accept the "Declaration of London," which defined contraband in two classes, "absolute" and "conditional," and accepted as conclusive evidence of the destination of a cargo the port named on the manifest or bill of lading. A cargo of cotton or copper consigned to Rotterdam would thus be immune from capture, though everyone knew that it was intended for Germany.

But though only five years old, the lists in the Declaration of London were already obsolete. They gave immunity to certain of the chief ingredients of modern weapons—cotton, copper, oil and rubber—and included aeroplanes only if it could be proved that they were intended for hostile use. The Declaration, moreover, had not been accepted by the British Parliament, since it had been rejected by the House of Lords, and it had not been ratified by any of the Powers. The British Government, therefore, considered itself free to do as it liked and proceeded to draw up a new list of contraband but with special consideration for American susceptibilities. For example, cotton was excluded for a year and foodstuffs were permitted to pass into Germany through neutral ports, as the Declaration of London intended.

¹ Page was in subsequent years hotly attacked by American writers who accused him of having exceeded neutrality, but these writers apparently assume that neutrality requires an Ambassador to conceal his views as to the merits of a quarrel between the State to which he is accredited and other States.

In February, 1915, the Germans started their first submarine campaign, and in the following month the Allies retaliated by abolishing the distinction between conditional and absolute contraband and announcing their intention of detaining all ships carrying food or goods "of presumed enemy destination, ownership or origin," even if they were consigned to neutral ports. At this point the real blockade began, but it had to be conducted with great caution and much respect for American ships and cargoes until the United States joined the Allies. Then it became the all but complete strangle-hold which it remained till the end of the war. In point of time the unrestricted submarine preceded the unrestricted blockade, but between frightfulness and retaliation all law was banished from the sea during the last eighteen months of the war.

Maintaining the blockade was one of the most arduous and dangerous of the tasks which fell to the navy. The work was entrusted mainly to armed merchant service liners, and it meant an incessant patrol in all weathers up to the northern limits of navigation. Many fell victims to mines and submarines for which they were the legitimate targets. For this and for the anti-submarine service and for mine-sweeping, all who did their business on the sea in time of peace—down to the humblest fishermen—were enlisted in the Royal Navy.

One last spectacular event remains to be recorded before the naval history closes. This was the attack under Sir Roger Keyes on Zeebrugge, one of the chief submarine bases on the Belgian coast, on April 22, 1918. It was an affair of fearful gallantry, in which a small squadron of old cruisers backed by destroyers and motor-boats attacked the Mole and destroyed the viaduct which connected it with the shore. The attackers ran into a storm of shells and bullets, and were engaged in fierce hand-to-hand fighting before they gained their object—at a cost of 197 killed and 440 wounded or missing. The fact that nine V.C.s were awarded for this enterprise tells its own story. It appeared afterwards that it was only partly successful in blocking the harbour, for submarines continued to squeeze through, but it placed Zeebrugge out of action as a base for destroyers, and apart from any material results had a heartening effect on both army and navy at one of the gloomiest moments of the war.

CHAPTER XLV

THE WAR AT ITS CLIMAX

1915-16

I

DIFFICULTIES and disappointments at the front caused the usual heart-searchings at home in the winter of 1915-16. The inference drawn by patriotic newspapers and critics of the Ministry was not that the enemy was stronger or more numerous but that something was wrong in Downing Street or Whitehall. Within the Government Lloyd George produced another Memorandum in which he surveyed the field from the vantage ground of one who had predicted disaster, and whose warnings had been disregarded. He asserted that "prompt action" in the sense that he had advised, i.e. the removal of the British army from the West for great operations in the East, would have brought Rumania, Greece and Bulgaria to the side of the Allies, and a million and a half have thus been added to our reserve of men, while the enemy could have been cut off from the "magnificent reservoir of men in the Turkish Empire who were only awaiting equipment to become one of the most formidable fighting machines in the world." Only now and too late we had been forced by the French to take some action (i.e. to send troops to Salonica). Piling up the indictment, Lloyd George looked forward with gloom to the political situation which might follow when the delusions about the War Office were shattered and "the capacity of our great War Lords for blundering" was disclosed. He saw no hope short of "a complete change at the War Office"—in plain English the displacement of Kitchener—and proposed that a definite promise should be made to Serbia, Greece and Rumania to put 250,000 men into the Balkan field before the end of the year.

The Salonica Expedition was already in difficulties and a very little experience was to show the extreme unsuitability of the place as a base for a great army. It was in a high degree improbable that if the much more promising Dardanelles Expedition had failed, the piling up of numbers at Salonica would succeed. But anyone who had predicted disaster had a strong hand to play at this moment. The deadlock in the West, the failure in the Dardanelles, the entry of Bulgaria into the war, and then, as the winter closed in, the over-running of Serbia and the catastrophe in Mesopotamia—all this mounted up into a tale of loss and suffering, disappointment and miscalculation, which Lloyd George kept saying would have been avoided if his advice had been taken. That advice proved more than ever impossible during the coming year. Before February, 1916, was out, the Germans had launched their tremendous attack on Verdun and, though holding on with amazing tenacity, the French were calling more and more loudly for a British counter-attack on some other part of the line to relieve the pressure on them. It was now a question not of withdrawing British troops from France but of sending the largest number of new troops in the shortest possible time to answer this call for aid.

2

In the meantime there had been storms in Downing Street and Whitehall. In October, 1915, Carson had resigned on the ground that the Cabinet's objection to sending large forces to Salonica involved the desertion of Serbia, and a little later Bonar Law was threatening to resign unless the decision were taken at once to evacuate Gallipoli. In the same weeks there were sharp divisions between Ministers on the now urgent question of compulsory military service, which a majority of the Cabinet considered necessary after the comparative failure of the Derby scheme of voluntary recruiting. Up to this point the voluntary system, aided by the splendid rally of the Dominions, had met all needs, and Kitchener had been in hearty agreement with the majority in the Cabinet which held it unwise to precipitate a controversy about compulsion until the necessity for it was proved. But in the appeal launched by Lord Derby a pledge had been given that married men would not be called up until the young unmarried

had been brought in, and when 700,000 of these failed to respond Asquith considered that the Government was honourably bound to bring them in compulsorily.

On this decision being taken, Sir John Simon resigned and Mr. Arthur Henderson, who represented the Labour party in the Cabinet, was with difficulty prevented from following his example. Labour feared that military conscription would be followed by industrial, or at least be so used as to become in effect industrial. It also predicted that if introduced under cover of war, there would be no getting rid of it when peace came. The Bill which was now introduced and passed (January 27, 1916) contained safeguards and qualifications to meet these doubts and fears, but for this very reason was the beginning of fresh trouble. Its administration by local tribunals was assailed on all sides; allegations that they were practising favouritism and ignoring the pledges given by the Government were bandied about. But the effort to amend it caused convulsions in the Cabinet, and in April, 1916, Asquith was twice reduced to asking for an adjournment of the House on the frankly avowed ground that Ministers were unable to agree. All compromises and qualifications having broken down, Asquith decided, in the language of the time, to go "the whole hog," and at the beginning of May announced that the Government had decided to proceed to general and immediate compulsion extending to all male subjects, married as well as single, between the ages of 18 and 41.

Coincidentally with the introduction of compulsion, there had been another crisis on the subject of finance. Economists were appalled at the seemingly reckless extravagance of the War Office which, with all the manhood of the country at its disposal, was now working up to its ideal figure of 70 divisions in the field. It seemed time to take stock, and in the last week of December, 1915, McKenna, the Chancellor of the Exchequer, entered a strong warning that with a deficit mounting up to £2,000,000,000 the country was near the end of its resources. Runciman, the President of the Board of Trade, supported him, and added that the recruitment of the 32,000 men a week required to maintain the 70 divisions would throw industry into confusion and make it impossible to furnish supplies. Within a few days McKenna and Runciman were tendering their resignations and, to Asquith's

surprise and dismay, Grey was threatening to go with them. The corner was just turned by a miraculous effort in smoothing on the Prime Minister's part, but in this business also Lloyd George had played an active part and it left a certain bitterness between him and the Chancellor of the Exchequer which counted for a good deal in the following months.

3

The economists had underrated the capacity of the country, as afterwards turned out, but this upheaval was salutary, in so far as it led to a careful scrutiny and tighter control of expenditure which certain of the Departments had come to regard as a matter of no importance in wartime. Its effect on the Government was another matter. Bruised and shaken by the successive controversies on finance and compulsory service, it had now to face the serious emergency of the Irish rebellion, which stirred all the smouldering embers of the lifelong controversy between the two parties to the Coalition.

During the night of April 20, a German auxiliary cruiser disguised as a neutral merchant ship, with a submarine in attendance, attempted to land arms in Ireland. The ship was sunk and a number of prisoners taken among whom was Sir Roger Casement, a former member of the British Consular service, who for some months past had made himself notorious by his efforts to seduce Irishmen in German prison camps from their allegiance to Great Britain. Four days later a body of Sinn Féiners assembled in St. Stephen's Green, Dublin, seized the Post Office and other public buildings and threatened Dublin Castle. Troops were at once brought from England and Northern Ireland and after a week's fighting, in which serious damage was done to the city of Dublin, the rebellion was suppressed.

Birrell, the Chief Secretary, tendered his resignation while the guns were still firing, and Asquith went himself to Ireland to explore the situation. After travelling up and down the country and hearing all voices, he came to two conclusions, first that executions and other primitive measures must be as few as possible, and next that the moment order was restored steps must be taken to convince the Irish people that the British Parliament seriously intended to make Home

Rule a reality. Otherwise nothing would stop the stampede from Parliamentary Nationalism to Sinn Féin. Ireland had been grievously mishandled since the war broke out. All through the business of recruiting some malign spirit seemed to have been at work quenching Irish zeal and repelling the generous overture which John Redmond had made in the early days. "From the very first hour," John Redmond told the House of Commons in the debate after the rebellion, "our efforts were thwarted, ignored and snubbed. Our suggestions were derided. Everything almost that we asked for was refused and everything almost that we protested against was done. Everything which tended to arouse national pride and enthusiasm in connexion with the war was vigorously suppressed." The truth seems to have been that the traditional War Office suspicion of "rebel Ireland" and its fear of infecting the army with Irish "disloyalty" had governed its proceedings in Ireland and given widespread offence.

But the same spirit was still alive in the Cabinet, and when Asquith proposed that, subject to the exclusion of the Ulster counties and certain safeguards for the period of the war, the Home Rule Act of 1914 should be brought into operation at once, the old quarrels flared up again. But this time with a difference. Balfour and Carson, the two strongest opponents of Home Rule in the old days, were both in favour of a settlement. Balfour, as Asquith told the King, made the "most effective pronouncement in favour of a bold and generous policy in the prolonged conclaves of the Cabinet."¹ Carson and Redmond agreed on the outlines of the proposed measure. But others were immovable and saw only a weak concession to rebellion in the proposals of their colleagues. Selborne resigned before waiting to hear the argument; Lansdowne made a speech in the House of Lords which Redmond described as "a gross insult to Ireland," and other Unionist Ministers insisted on amendments which placed acceptance by the Irish party beyond hope. Under this pressure the plan fell through and with it the last chance of keeping the Irish movement within the bounds of Parliamentary Home Rule. From this time Redmond's power in Parliament was shattered, and the settlement was to be at another time and in another way.

¹ Asquith "Life," Vol. II, p. 219.

4

The battle of Jutland which took place on May 31 of this year is part of the naval story which has been told in the previous chapter. However it may be appraised, it was not the spectacular victory for which the public had hoped and which might have raised its spirits in these anxious days. There was no gloomier moment than when Kitchener perished in the *Hampshire*, within a week of the naval battle (June 5). That extraordinary man had been hailed as the saviour of his country when the war broke out, and suffered most of the buffets that rain on a fallen idol before he passed from the scene. It was his fate to endure all the worst of war and enjoy none of the sweets of victory. In many ways his reputation belied him. With all his great qualities he was not the heaven-born organizer and master of detail that he was supposed to be; he lacked the organizer's faculty of delegating work and exasperated patient officials by the haziness of his facts and figures. By doubling the parts of Secretary for War and Chief of the Staff and making himself the principal channel of communication between the fighting soldier and the Cabinet, he deprived it of the objective and purely military view of events which a civilian administration needs. Information was coloured by his personality.

He took no pleasure in war—at all events as it was waged in Whitehall. "How I wish I could go to sleep to-night and wake up and find it all over," he confided to a friend in the early days. Having spent most of his life in the East, he had no knowledge of politics, and the behaviour of the politicians as he saw them in Cabinet seemed to him strange and incomprehensible. They were inquisitive, quarrelsome and meddling, and wanted to know things which no soldier with any military instinct could be expected to communicate to twenty-three people, with most of whom he had no more than a nodding acquaintance. He could only with difficulty be made to understand that the politicians were responsible for Departments which would be thrown into confusion if the War Office did not give them accurate information about its needs and demands and its estimates for the future. Between him and them there was a perpetual game of cross-purposes, in which he considered himself to be on guard for the highest

public interests, and they thought him to be engaged in a game of Oriental craft and subtlety. He never could distinguish between his personalities as Field-Marshal and as Secretary of State, and gave the same offence to some of his colleagues as he had given to Sir John French by appearing suddenly (though metaphorically) in Field-Marshal's uniform when they supposed themselves to be dealing with the Secretary of State. His services were immense, but a price had to be paid for them.

Had anyone but Asquith been Prime Minister, Kitchener would almost certainly have resigned before the first year of the war was over. His trust in Asquith and his belief that in Asquith he had found solid rock amid shifting sands was the one thing that kept him going, and nothing could have been more admirable than the relations of the two men. Here Asquith's patience and straightforwardness had their reward and gave full play to Kitchener's great qualities at the moments when they were of the highest value to the country. Correspondingly, Kitchener's death became Asquith's death-warrant. For he had now to appoint a new Secretary for War, and his choice was to be disastrous to his own fortunes.

In appointing Lloyd George, Asquith acted in the teeth of warnings which, to a man of his temperament, were precisely the incentives needed to lead him to make that appointment. Lloyd George, he was reminded, was his principal rival, the intimate and open nominee of Lord Northcliffe who in his many newspapers had been pouring invective on Asquith and Kitchener, the chief promoter of unrest in the Cabinet. But Lloyd George also had done great service; he had stepped down from being Chancellor of the Exchequer to take up the thankless post of Minister of Munitions, and troublesome as they might be to the Cabinet, he was fully entitled to maintain his views about the conduct of the war. To pass him over because he was a possible rival would in Asquith's view have been mean and cowardly; to send him to the War Office, where, working with Sir William Robertson the staunch Westerner, who was now Chief of the Staff, he would learn the difficulties and dangers of the alternative strategy on which he had set his heart, was wise and right.

The alternative possibility that Lloyd George would not be convinced and that with him at the War Office, Haig Commander-in-

Chief, and Robertson Chief of the Staff, there would be sown the seeds of a discord which became all too a scandal before the war ended, was none of Asquith's thoughts at the time. He considered himself to have made the only appointment possible and the one which incidentally offered the best chance of keeping Cabinet dissensions within bounds. His view, with greater precision, wrote in his diary on leaving of the appointment, "we are all in Downing Street."

3

For none of the war was the strategical dispute was in abeyance. The only question was how soon the British offensive for which the French were calling could be made. But there are considerable lumps all the beginning of 1915 was the British answer, and "better agreed" than effort should not be wasted in minor attacks before then. Eventually on July 1 the great British attack opened at Arras on the Somme. There could be no element of surprise in it. Apart from the immensity of the preparations which could not be screened from observers in the air it had been for weeks most positively anticipated to draw the Germans from Verdun by the onset of British preparations elsewhere. The French attack was indeed at the time a brilliant success, but it was in fact the familiar tale of immense losses, small advances, plans going wrong and the enemy's front so firmly entrenched as even a little further back. In a continued with periodic minor attacks, the Germans firmly holding on to every inch of ground the allies pining painfully a few weeks and then retreating to the grimiest sort of attrition and exhaustion that the world had ever seen. "Lachencourt said at the end of it that the German army was 'completely exhausted' . . . brought to a standstill and almost worn out"³; "Lachencourt said the General Staff required seriously whether they could hold out for another year, 'supplied with the enemy gave us nothing for rest and for the accumulation of material'." For this was understood at the time as the allies.

³ Lachencourt's estimate has been discounted as that of a man who had strong motives for disparaging the German effort on the Somme but it is more than confirmed by the unanimous opinion of the German General Staff prior to the adoption of the Unrestricted Submarine. (See Official German Documents relating to the World War, Carnegie Endowment Translation, Vol. 1, p. 360-370 *sup.*)

and before it was over many voices were crying out at the seemingly fruitless and interminable agony of the Somme.

Russia had had a revival this year and General Brusiloff's great offensive against the Austrians in June, with its spectacular capture of men and guns, for a time encouraged the hope that the double pressure in East and West would end the war. This optimism was short-lived. Not only was Brusiloff driven back, but what seemed to be a crushing and final blow was inflicted on Rumania, which had entered the war on the side of the Allies at the end of August. The Rumanians had missed the favourable moment of Brusiloff's advance, and in the teeth of advice given by the General Staffs of the Allies insisted on invading Transylvania, though in so doing they left their own territory at the mercy of the enemy. Taking advantage of this opening the Germans swept through Wallachia, drove the invaders out of Transylvania, and in a few weeks had Bucharest at their mercy. A little later Rumania was compelled to submit to a humiliating peace.

There was no incident in the whole war for which British Ministers had less responsibility, but none which was better timed to play into the hands of their enemies and critics. The cry had gone up in the previous years that Serbia had been deserted, and now it was said that Rumania had been lured on and left to her fate. Rumania served to focus all the doubts, fears and anxieties of the times in a concentrated attack upon the Government, whose apathy and incompetence was said to be responsible for the interminable and seemingly fruitless struggle in the West and for the desertion and betrayal in the East of the little nations which had been induced to throw in their lot with the Allies. The Easterners leapt to the argument and declared themselves more than ever convinced that, if one of their many plans for transferring the British army from France to the East had been adopted, these calamities would have been avoided. In October, Lloyd George was engaged in hot argument with Sir William Robertson, his Chief of Staff, about a plan for a joint British, French, and Italian offensive against Sofia. Sir William thought it impracticable; Cadorna, the Italian general, was engaged in an offensive of his own, and Joffre, having his hands full in France, would have none of it. All this seemed to Lloyd George convincing proof of the unintelligence and obstructiveness of the military mind, and he saw no hope except,

as Lord Fisher would have said, in "sacking the lot" and altering the direction of the war.

6

For many months past, Asquith had been assailed with extraordinary bitterness by the group of newspapers under the control of Lord Northcliffe and Sir Max Aitken (afterwards Lord Beaverbrook), and these now renewed their assault with the evident intention of making his position impossible. He was an easy target for the weapons they employed. He refused to answer them, and they had enough support among his colleagues to thwart any effort to silence them by the use of the censorship. They had an uncanny knowledge of what was going on behind the scenes and used it without scruple to his discredit. He, on the other hand, had taken upon his own shoulders the burden of everything that had gone wrong, and seemed perpetually to be bending his back to their lash. Following strictly the old road of collective responsibility, he shielded colleagues from blame and generals from criticism when things went wrong, and claimed no ounce of credit for himself when they went right. When asked for his opinion about the course of the war he contented himself with saying that he was always an optimist about the final result, but a patient pessimist about the immediate future and the merits of any alternative hitherto proposed to the process of trial and error by which the terrible equation of balanced forces was being worked out.

Even his friends said that magnanimity, as Asquith practised it, had become a vice. Magnificent it might be, but it was not war. In war, as Bonar Law reminded him, it was necessary for a Prime Minister not only to be active but to seem active. Midnight vigils at humdrum tasks, smoothing differences between colleagues, appealing to the public to be patient while the soldiers did their work, saying no to eager proponents of plans and schemes promising speedy victory, was not enough for a leader in war. He must blow the trumpet and beat the drum; the scene must be set and the stage lit for him when he appeared. A horror of propaganda and an ingrained habit of self-effacement were no substitutes for the sense of exciting and dramatic movement which the public looked for in a Government at war.

It was true, or at least a part of the truth which Lloyd George understood and Asquith did not. The Secretary for War, in close touch with powerful newspapers and considering himself under a patriotic duty to communicate his alarm and dissatisfaction at the course of events to an unsuspecting public, was by this time rapidly undermining Asquith's position. In vain did Asquith's friends seek to warn him. His reply was always the same; if the country was tired of him he would go, but he would not play politics in time of war to thwart those who wished to supplant him. Until near the end of November his position in the Cabinet still seemed impregnable, and if Ministers had been polled at that moment, the great majority of them would have been for his continuance as Prime Minister.

7

Then began one of the strangest games on the political chessboard recorded in English history, and ten days later Asquith had ceased to be Prime Minister and Lloyd George was in his place.

The story has been told in full detail and with great candour by the principal actors,¹ and will always be a subject of curious study by those who are interested in the methods by which politicians waged war on one another during the Great War. The object of the anti-Asquith group was to depose Asquith from the conduct of the war, and to substitute Lloyd George with full power to change its direction in the manner he had advocated. Their method was to detach Bonar Law and the Unionist members of the Coalition from Asquith and somehow to convert them from mistrust and suspicion of Lloyd George to co-operation with him. At the beginning Lloyd George had no objection to Asquith's remaining Prime Minister, at all events for a time, provided he himself was given control of military operations. "But the newspaper proprietors, Lord Northcliffe and Lord Beaverbrook, who had espoused his cause, gave a publicity to the quarrel which made any such accommodation impossible, and Asquith himself was determined that he would not remain as a lay-figure to cover methods of conducting the war which he profoundly mistrusted.

From the beginning it was a tangle of cross-purposes. The Unionist

¹ See especially "Politicians and the War," by Lord Beaverbrook, Vol. II; "Life of Asquith," Ch. I; "Down the Years," by Sir Austen Chamberlain.

members of the Cabinet made a written communication to Asquith which they intended to be understood as a signal to him to restore unity in the Cabinet by resigning and reconstructing his Government, if necessary without Lloyd George, but Bonar Law communicated only a verbal paraphrase of this document which Asquith understood as a threat to resign unless he came to terms with Lloyd George. At this point Asquith made the fatal mistake—from a tactical point of view—of conferring with Lloyd George to see if accommodation was possible, from which Unionist Ministers inferred that he had rejected their advice and intended to stay and settle with Lloyd George. On this supposition they resigned in a body and Asquith's position became hopeless. In the meantime, the newspapers kept up their chorus of denunciation and at the most critical moment *The Times* published a leading article representing his supposed accommodation with Lloyd George as an abject and humiliating surrender. This coming from a newspaper, the chief proprietor of which was known to be in intimate touch with Asquith's enemies and critics in Cabinet and Parliament, destroyed all hope of accommodation between him and them, and accommodation with the Unionists being also cut off, nothing remained for Asquith but resignation.

The Unionist Ministers now decided that nothing remained for them but to give Lloyd George the full responsibility for the changed direction of the war, which he had so passionately advocated, and after considering the various possible alternatives decided to join forces with him. Asquith and his principal Liberal colleagues declined an invitation to join the new combination, which now rested mainly on Unionist support. The attitude of the Unionists was largely influenced by Balfour, whose conduct as First Lord of the Admiralty had incurred Lloyd George's special displeasure. Balfour, however, decided that the state of public affairs required that he and his Unionist colleagues should throw in their lot with the only man who seemed capable of leading a Coalition Government at that moment.

All the parties to this transaction have since explained that they acted from the highest patriotic motives, and under the stern necessity of carrying on the King's Government in time of war. The country was in great peril; prompt action was necessary, there was no time to consider the niceties of political behaviour. War devours its

children as surely as Revolution, and if anything was fated it was the fall of Asquith in December, 1916. By this time no Prime Minister and very few generals in the Allied countries were in the positions they had occupied at the beginning of the war. Asquith had been Prime Minister for nearly nine years on end, a longer continuous period than any enjoyed—if that is the right word—by any occupant of the position since Lord Liverpool. Incessant and exhausting controversies had been his portion from the first day to the last, and though he was a man of iron constitution, he would have been less than human if he had not given some handle to critics who thought him “played out.” His successor had all the qualities in which Asquith was deficient. He knew how to rouse and excite, to manage crowds and newspapers, to keep at the highest pitch the grand high pressure of bustle and excitement which is proper to wartime. Appearing, as it seemed, in the nick of time with the promise of a knock-out blow in place of the prolonged agony of exhaustion and attrition, and gathering about him a large body of adherents—business men, men of push and go to “broaden the base” of the Administration and put life into dead-alive officials—Lloyd George was received with acclamation, and immense numbers were convinced that the spirit of victory had at last appeared on the scene. In the atmosphere of war, illusion and reality are so mingled in the public mind that it is impossible to deny that this was a helpful contribution to war-making in December, 1916.

8

A just estimate of the actual situation at this time is far from easy. The battle of the Somme had been exhausting to both sides. British and French between them had suffered 600,000 casualties (British 410,000, French 190,000), the Germans half a million.¹ But in the later stages the Allies' casualties had diminished and the German increased, and there were signs of demoralization in the enemy's rank. In the end his line was longer and weaker and would need to be held with larger forces. But the French, too, were near their last reserves, and even stout hearts among them doubted whether they could survive another year. There were voices for peace in both camps—in the

¹ Cruttwell, p. 276.

German Reichstag, in the lobbies of the French Chamber, in the British Cabinet. Rumours of the famous memorandum in which Lansdowne painted the situation in gloomy colours and asked his colleagues to consider the possibility of ending the war contributed not a little to Asquith's downfall. Among the counts in the indictment against him, it was said in the language of the time that he was encouraging a defeatist spirit, but in fact he had told Lansdowne plainly that desirable as peace might be, he saw no way of attaining it in any tolerable terms. The terms which the Germans communicated to President Wilson in December, 1916, were certainly not tolerable and appear to have been put forward only that their rejection might afford plausible excuse for the unrestricted submarine. More will be said on this subject later.

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CHAPTER XLVI
THE TIME OF PERIL

1917

I

WITH the succession of Lloyd George the struggle about the conduct of the war entered a new phase. He had pledged himself to "a new direction" which was everywhere interpreted as the adoption in one or other of its forms of the Eastern strategy which he had so passionately advocated. Like Tirpitz in Germany he was convinced that he knew a way which would bring the enemy to his knees without the interminable agony and sacrifice of the war of attrition. At his elbow, and presently to be Chief of the General Staff, was the lively and cynical Sir Henry Wilson, whose kaleidoscopic opinions and variable judgments of those whom he served may be traced from week to week in his "Diaries." Wilson seemed to the Prime Minister to have a brighter intelligence than any other soldier, and in his favour and his alone he suspended the damaging judgment which he had passed on the military profession. But the opposition to the new strategy was strongly entrenched. Robertson as Chief of the Staff and Haig as Commander-in-Chief were both stout Westerners, and it was certain from the beginning that any strategy which required the transfer of large bodies of troops from the Western front would only be effected over their (officially) dead bodies. Both in the Prime Minister's view were dour, obstinate and uninspired men, tongue-tied in talk, voluminously repeating the same things in dispatches and memoranda. A stubborn battle of wills between him and them was to continue from this time to the end of the war, and to be prolonged for many years later in biographies and autobiographies which bear their own witness to the bitterness and intensity of the feelings on both

sides. The phrase "unity of command" was on many lips during the next eighteen months, but it was never established between the British Government and its soldiers in the field.

An even greater obstacle to any fundamental change in the direction of the war were the French, who were as determined as ever that their country should not be denuded of troops or any other be the scene of major operations. Their method of dealing with the British Prime Minister was not to challenge him directly but to obtain priority for their own plans over his plans. Thus when, true to his own ideas, he went to an Allied Conference at Rome in January, 1917, armed with a plan for advancing on Vienna via Laibach, they countered it with another of their own—a plan for a joint British and French offensive on the West front said to be on entirely new principles which, according to its author, General Nivelle, recently appointed to be Commander-in-Chief of the French army in succession to Joffre, promised speedy and decisive results. By the time he returned to London Lloyd George had been won over by Nivelle and given his consent to what the latter claimed to be an all but infallible new way of dealing with the enemy in the West.

Nivelle, as it turned out afterwards, was almost alone in believing in this plan. Haig, Robertson and the British General Staff greatly preferred the plan concerted with Joffre in the previous November for pressing the Germans during the winter and delivering a blow along the whole front from Loos to the Oise as early as possible in the spring. But the objections of the soldiers confirmed the Prime Minister in his mistrust of their capacity, and at an Allied Conference at Calais on February 26, he sprung on Haig and Robertson the unpleasant surprise that they were to be placed in a subordinate position to the French Commander-in-Chief until his operations were finished. They took this in a soldierly spirit, and at the battle of Arras which ended in the capture of Vimy Ridge manfully did the part assigned to them in the Nivelle scheme.

But while the Allies were engaged in preparing for the great attack which Nivelle was planning to deliver north of the Aisne, the Germans, being unmolested, had walked away from the Somme, fouling and devastating the country as they went back, and finally entrenching themselves on the far shorter and stronger line which came to be known

as the Hindenburg line. By this manœuvre they freed thirteen divisions from trench duty and destroyed a considerable part of the basis on which Nivelle had built his plan. He nevertheless persisted, though in the teeth of growing opposition—this time from the principal French generals—and in face of the known fact that the details of his plan, which had been recklessly circulated, had fallen into the hands of the enemy.

His attack on the Chemin des Dames delivered on April 16 ended in disaster. Instead of the easy break-through which he expected he found himself brought up against a triple line of defences most ingeniously prepared and organized, and instead of breaking off the battle, as he had promised if the first assault failed, he renewed his attacks until his army was worn out. Greater disasters had been borne in fortitude and silence in the previous years, but so much had been claimed for the Nivelle plan that the disappointment and disillusion were in proportion. For the time being the gallant spirit of the French army was broken, and thousands said that they would fight no more. The rumour spread that Paris was in revolution; mutinous formations began to march on the capital. Nivelle was deposed and Pétain was put in his place—a man both cool and wise, who listened patiently to the grievances of the fighting soldier, and by degrees restored order and confidence. But it was plain that now and for several months to come the brunt of the fighting must fall on the British.

2

With the possible exception of March, 1918, these months were the most critical for the Allies in the whole war. Russia was staggering to defeat and collapse; the unrestricted submarine was playing havoc with British shipping; France was out of action. The alarm and despondency with which the enemy had viewed the situation in the previous December was now turned to hope and confidence. For the Allies the solitary gleam of light was that the sinking of American ships had ended President Wilson's doubts and hesitations and brought the United States into the war at the beginning of April (April 16, 1917). But in this month 900,000 tons of Allied shipping—60 per cent. of it British—had been sunk by German submarines, and it seemed extremely doubtful whether, as the Germans had confidently

predicted, the war would not be brought to an end by the starvation of Britain before this army could be got into khaki, let alone brought to Europe.

If it had not been blotted by subsequent recriminations, the record of these months would surely have been acclaimed as one of the bravest chapters in British history. So it deserves to be remembered. It is a story of courage, endurance, resourcefulness, skill on the part of Government, soldiers, sailors, organizers, with the quiet and disciplined support of the civilian public. Desperately difficult questions arose at every turn. Should merchant ships be escorted in convoys or left to their own resources save for protection at chosen points? Convoy, said the naval authorities, required two conditions: (1) a sufficiency of destroyers, (2) reasonable certainty that methods of dealing with the submarines when located had been discovered. Except on these conditions the massing of ships under convoy would merely increase the danger by enlarging the target. The entry of America into the war eventually solved the first part of the problem; the resourcefulness of the navy in finding methods of dealing with the submarine, and the skill of merchant seamen in applying them solved the second part. No one who followed this controversy as it proceeded will wonder either at the impatience of civilian Ministers or at the prudence of the Admiralty. The responsibility was enormous, the penalty of a wrong decision was death.

So it was in a lesser degree with the great mechanical invention which was to contribute so largely to victory on land in the final stage. Too much praise cannot be given to General Swinton, Winston Churchill and others who persisted in advocating the use of the "tank"—the new species of land battle-cruiser, armoured and gunned, carrying its own crew, and able with its caterpillar wheels to jump trenches and flatten out barbed wire. But its development from the first rough model to an effective instrument of war was bound to be gradual, and its right use in action a matter of trial and error. Disclosure to the enemy was to be avoided, but right use could not be determined without disclosure. Those who saw the first tanks in action on the Somme and the later tanks in the following years will be least disposed to wonder at the controversy or to pass judgment on it. In this, as in so many other ways, the war was an incessant

improvisation in which the wisdom that comes after the event was unavailable at the time.

Fortunately for the Allies the sinking of the 900,000 tons of shipping in the month of April proved to be the peak of the submarine war. In May the figure declined to 550,000 tons, and by November it had fallen to 250,000. Before the end of the year the victory had definitely been won, and experts went so far as to say that in view of the defensive measures now evolved the fear of starvation by blockade might definitely be ruled out. In the meantime, the public had tightened its belt and learnt—generally with great advantage—to limit its diet to the portions permitted by the Food-controller and prescribed on its food cards. All the time the shipyards were feverishly at work turning out new ships, some of which perished on their first voyage, but before the end of the year it was possible to say that the number of new ships exceeded the number destroyed. Salvation came by an immense co-operative effort for which the Government was justly praised. It was undoubtedly the finest administrative achievement of the whole war. But one thing must be added. What saved the country ultimately was the skill and daring of its seamen both in the navy and in the merchant service. Instead of the demoralization on which the Germans had relied there was only a calm fortitude. Men who had been torpedoed twice or three times put to sea again undaunted, bringing an inbred and unrivalled sea-sense to bear on the new and perilous conditions. Cunning was matched with cunning; camouflaged "Q-boats" brought destruction on unsuspecting submarines. The story of these months abounds in acts of individual heroism—many of them unrecorded—matching and surpassing any that are told of Elizabethan seamen.

3

During the same months the struggle at the front was to surpass in grimness and intensity all that had gone before. After Nivelle's disaster, the road to Paris again seemed open if the Germans had but known the plight of their opponents. They only partly knew, and in the meantime Haig was doing his best to keep them occupied. On June 7 came the brilliant surprise attack under Plumer, in which, after an explosion of nineteen mines simultaneously, containing 500

tons of ammonal, Messines Ridge, to the south-west of Ypres, was taken. Terrible novelties were employed in this battle. Not only was the top of the hill literally blown off by the explosion of the mines, but boiling oil-cans and gas-containers were projected into the enemy's trenches. Frightfulness was the word on both sides.

In the meantime Haig was preparing the third battle of Ypres—the battle which bears the ill-omened name of Passchendaele. It was originally planned at the call of the Admiralty with the object of reaching the Belgian coast and driving the Germans out of Ostend and Zeebrugge, the submarine bases from which they were doing so much damage in these months; and the intention had been to accompany it with a landing in force behind the German lines at Ostend. Except for this original objective, the ground was exceedingly unfavourable for an attack in force. It was flat land in which it was impossible to screen any movement from the enemy's airmen; if rain came and the land drainage was destroyed by shell-fire, it would rapidly become a morass. But the Admiralty was urgent about the need of depriving the enemy of the submarine bases, and Haig consented to make the attempt. Some offensive was imperative in any case for the relief of the French, and this one offered the possibility of both doing that and recovering the Belgian ports.

The opening, on July 31, was relatively successful, but after that everything went wrong. The rain came down pitilessly and continued day after day; the naval attack was not delivered; it was soon evident that the original objective—the recapture of the ports—would be very difficult if not impossible. But the other purpose, that of keeping the Germans occupied remained, and Haig was perpetually reminded that his Ally looked to him not to let go until the French army was in a fit state to take the field again in force—a date provisionally fixed for some time in November. By this time he had the wolf by the ears; to disengage himself and change the locale of his attack was impossible. Fair judgment on the necessity on which he supposed himself to be acting will only be possible when all the records of this period, French and German as well as British, are available.¹ It is a fact that the Germans did not attempt any of the strokes at the French vitals which

¹ Haig himself told me when I visited his Headquarters on October 4 that he was under constant pressure to keep attacking.

were generally apprehended during these weeks. That Haig persisted too long is admitted by many of his admirers ; that he sacrificed his army from vanity or vainglorious fear of confessing himself wrong is an idea totally at variance with his modest and conscientious character. Whatever the final judgment, Passchendaele remained for those who took part in it the ghastliest memory of the war. Its story is that of heroic fighting against desperate odds, vain attempts to advance over shell-scarred and water-logged ground, in an autumn of heavy storms and blinding rain, of fearful casualties and painful death in a veritable Slough of Despond. The casualties (400,000) were by no means the heaviest of those incurred in the great offensives, but in the conditions at Passchendaele they seemed to be the climax of the horrors of trench warfare.

The extraordinary animus of Lloyd George's subsequent attack upon Haig tells its own story of the strain between the Government and the Command in France at this time, and the details may be filled in from Sir Henry Wilson's Diaries. The relations of the Prime Minister with Haig and his *alter ego* Robertson, the Chief of the General Staff, had from the beginning been those of mutual distrust. They were survivors from the Asquith regime, whom he regarded justly as the principal obstacles to the changed direction of the war which he so ardently desired. Both were rigidly opposed to the transfer of any large body of troops from West to East, and did not hesitate to express their view that any such operation would be the ruin of the Allied cause. Being unwilling, for the reasons that he has stated in his "Memoirs," to displace them, the Prime Minister sought to reduce their authority, in the early days by the surprise stroke which placed them in subordination to Nivelle, and later by the appointment of Wilson as the representative of the British military authorities on the Supreme Council constituted at the end of the year to co-ordinate the operations of the Allies. Candid and open dealing between the Government and its two principal military officers became extremely difficult in these circumstances, and both were constantly made aware that their supersession was under consideration.

If it came to argument both sides were well provided with missiles. Haig, if he wished, could point to the failure of the Nivelle plan so warmly espoused by the Prime Minister, and so burdensome in its

consequences to the British army ; the Prime Minister could retort, as he did ¹ in a speech at Paris in November, 1917, evidently aimed at British generals, by pointing to "the bloody assaults of the Somme," the "hammering with all our might at the impenetrable barriers in the west," and bidding his hearers consider how different it might have been if the Allied forces had been advancing via Laibach on Vienna—hypothetical ground on which proof and disproof were equally impossible. Asquith, who was greatly angered by this speech, made a spirited answer in the House of Commons, but this did not help the generals in their relations with the Prime Minister.

That there should be such an argument at such a time was a misfortune of which the results were far from exhausted. The spirited action at Cambrai, when the tanks were first seriously brought into action and won an advantage which could not be followed up, gave the Prime Minister a further opportunity of saying that the result would have been far different if the army had not been wasted at Passchendaele, and once more pressing his schemes for diversions in the East when concentration of forces in the West was more than ever a grim necessity. The idea that the West was "over-insured" and that Haig should not be provided with more men than was absolutely necessary lest he should waste them in hammering at impenetrable barriers was strong in the London War Council at this moment, and was to have very serious consequences in the following year.

4

A glance at other fronts is necessary to complete the picture for the year 1917.

Russia had shot her bolt in the great offensive in the summer of 1916 when Brusiloff swept over the Bukovina and a large part of Galicia and captured 450,000 Austrian prisoners. It was the most spectacular triumph on either side up to this point and counted for much in the exhaustion of Austrian military power. But Russia also was exhausted ; between June and the end of the year she had suffered a million casualties, and the very magnitude of her success contributed to her undoing. She was unable to keep what she had conquered and

¹ November 13, 1917.

scattered her resources in ineffectual attacks on the German reinforcements which were hurried to the rescue. In December, 1916, the desertions among her soldiers at the front or in reserve were on an enormous scale. Her army was short of everything, rations, rifles, guns, aircraft; men were going into the trenches armed only with sticks, trusting to pick up rifles from dead comrades. Corruption and even treachery was rumoured among officers. In St. Petersburg the Tsar and his wife were wax in the hands of the rascally priest, Rasputin, who could not have worked more destructively if he had been the paid agent of Germany, as some supposed him to be. If ever an assassination was justified it was that of Rasputin at the hands of patriotic imperialists, including a member of the Imperial House, at the end of December, 1916.

But this merely hardened Nicholas in his obstinate resistance to the measures which might even then have saved him and his country. He kept the Duma suspended, refused to listen to warning voices, and left his half-starved capital, ostensibly to join the army but really to turn his back on the distracting problems which were now accumulating. On March 9 Petrograd was in revolution and five days later he abdicated. The revolution at this stage was quite as much from the right as from the left, and a Provisional Government was formed consisting in the main of Mensheviks or moderate reformers, which at first under Prince Lvov and then under Kerensky, tried to rally the army and carry on the war. In this it had a temporary success in the battles of Brezezany and Zborow, but the effort was an expiring one, and the exhausted army was soon riddled with Councils of Soldiers and Workmen, which preached the full revolutionary doctrine and denounced the war as a struggle of capitalists all equally in a state of war with the proletariat.

So far the red revolutionaries were still scattered and unorganized, but at this point the Germans played the crafty stroke of fetching Lenin, the fanatical but highly expert revolutionary organizer, from his exile in Switzerland and passing him in a sealed wagon through Germany into Russia. It was from their point of view the introduction of an extremely virulent microbe into the ailing body of their enemy, and far-reaching and disconcerting to themselves as its consequences were to be, there could be no doubt of its success for the

immediate purpose. Working for a time underground Lenin captured the Revolution, drove the Moderates to flight and exile, and before the end of October was master of the country. He appears to have cherished the illusion—singular for so clear-sighted a realist—that if the Russian workers refused to continue fighting, the workers in all the other belligerent countries would follow their example and overthrow any capitalist Government which refused to make peace. In this he was quickly undeceived and found himself in the following year compelled to accept the harsh and humiliating peace of Brest-Litovsk (March 3, 1918) under which the Germans occupied the Ukraine and deprived Russia of her Baltic Province.

Lenin, meanwhile, had been worth many victories to Germany and Austria, and before the summer was over they were free to wheel the greater part of their armies in the East to West and South and renew their attacks on the other Allies. The first blow fell on the Italians at Caporetto, where a strong German and Austrian force broke through and drove them in headlong flight to the line of the Piave; 250,000 prisoners were captured, and for a few days it seemed as if the whole plain of north Italy might be overrun and great cities like Venice, Verona and Milan be taken. A less spectacular success would have served the enemy better. He had no reserves to exploit a victory which had far exceeded his expectations. The Italians rallied bravely on the Piave, Cadorna, their general, showing himself greater in ill-fortune than good; the Allies rushed up reinforcements and the limit of retreat was reached without irretrievable disaster.

A little later General Allenby carried the first part of the Palestine campaign to a successful conclusion by the capture of Jerusalem. An attack on Gaza in March of this year had proved unsuccessful, but Sir Archibald Murray, who was then in command, had carried his railroad to within striking distance of that place. In the subsequent months it became known that the Germans under Falkenhayn were preparing an expedition towards Bagdad, the opening move of which was to be the capture of the Gaza railway and the repulse of the British into the desert. Allenby, who succeeded Murray, decided to anticipate this by striking at the Turks at Beersheba and he both took that place and compelled them to abandon Gaza. Thence he

advanced through difficult mountain country to Jerusalem which he entered after a brilliantly successful assault on December 11. For careful preparation and neat execution it was one of the most successful minor operations of the war, and the news of it was a welcome relief to the gloom of December, 1917.

5

From December, 1916, onwards to the end of 1917 various feelers for peace were put out from both camps or by well-meaning intermediaries like the Pope ; and it has often been said in after days that it would have been better for the world if the war could have been brought to an end by a negotiated peace when the fortunes of the belligerents were in the balance. It may well be so, but the issues by this time were such that they could only be decided by the defeat of one side or the other, and there never was a moment when the terms acceptable to the one would have been accepted by the other except under this compulsion.

Some of the so-called negotiations were little more than manoeuvrings for position in war. The terms suggested by President Wilson in December, 1916, and conveyed to Grey by Colonel House would have been rejected out of hand by the Germans and fell considerably short of what both France and Italy—to say nothing of the smaller nations—regarded as their minimum. France certainly was not prepared to see Germany compensated by colonial acquisitions for the restoration of Alsace-Lorraine, as Wilson proposed. The so-called "peace offer" of the Germans on December 12, 1916, was entirely vague in the form in which it was announced to the public, but the details afterwards supplied to Wilson showed that the terms which the Germans had in mind were conquerors' terms including the practical annexation of Belgium, the acquisition of territory at the expense of France ("rectification of frontiers") and the payment of an indemnity by the Allies. They reflected the mood of the Germans on the eve of adopting what they considered to be an infallible way of winning the war, and their rejection was thought to be a useful preliminary to taking that step.

Similarly the British "War aims" communicated to President Wilson in January, 1917, could only have been accepted by the

Germans on the compulsion of defeat. The "restoration of Provinces formerly torn from the Allies by force," the mention of "compensation" and "reparation" to Belgium, Serbia and Rumania, and of the "liberation of Italians, as also of the Slavs, Rumanians and Czechoslovaks from foreign domination" would alone have decided that. These, like the German, were conquerors' terms, intended for display at a particular moment. The British Prime Minister was at this time making no concealment of his desire for the "knock-out blow."

Certain endeavours in the following months had a more serious intention. The aged Austrian Emperor, Francis Joseph, died in March, 1916, and was succeeded by his grandson, Karl, who came to the throne promising peace. Karl was ready to sacrifice Germany, if by so doing he could save the Habsburg Empire, and was soon engaged in an intrigue in which he employed his brother-in-law, Prince Sixtus of Bourbon, then serving in the Belgian army, to communicate with the French behind the backs of his Ally. In a letter to Sixtus which was conveyed to Poincaré and afterwards communicated to Lloyd George, he promised to "support by all means and by the use of my personal influence with our Allies, the just French claims to Alsace-Lorraine." In various other ways he committed himself to concessions, but always at the expense of Germany. The Italians broke in at this stage with reminders of the Treaty of London on the strength of which they had entered the war, and which promised them the Trentino, Tyrol and Istria. Here Karl was obdurate. The concessions he had in mind were to be made by Germany and not by Austria. By this time he had fallen under suspicion with the Germans and was put to great confusion in April, 1918, when Clemenceau published his letters and reduced him to the desperate expedient of denying their authenticity.

The Germans wavered according as their hopes ran high or flickered out. The famous Erzberger resolution in the Reichstag on July 19, 1917, calling for "a peace of understanding and reconciliation" reflected their mood when the unrestricted submarine was failing and before Russia had collapsed. The candid and straightforward memorandum of the Austrian Foreign Secretary, Count Czernin, declaring the hopes founded on the submarines to be groundless, proposing the renunciation of all annexations, east or west, and the starting of

negotiations on that basis, won the approval of the Crown Prince and Prince Rupprecht of Bavaria, but the Kaiser dismissed it with contempt. The war, he told a meeting of party leaders, would be over in two or three months, as all English ships had been driven off the sea. Then he would come to terms with France, and all Europe under his leadership would begin the real war against England—the second Punic War. As the autumn advanced and the collapse of Russia placed larger and larger forces at the disposal of the German General Staff for a new attack in the West, all talk of a negotiated peace died down. The Germans were again confident of victory, Lloyd George and the advocates of the knock-out blow were in power in England, and Clemenceau and the “Jusqu’au boutistes” predominant in France. Lansdowne pleading for pacification in the columns of the *Daily Telegraph* was all but a solitary voice.

The truth was that the belligerents were ready to negotiate when they thought they were losing, and would concede nothing when they thought they were winning. There could in these circumstances be no moment when both were willing to make the concessions necessary to a negotiated peace. It was inherent in the avowed war-aims of all the combatants that they should fight to a finish.

CHAPTER XLVII

FROM DISASTER TO VICTORY

1918

I

EASTERNERS and Westerners had further material for their controversy in January, 1918. Lloyd George could point to the Italian disaster as proof of the folly of concentrating all forces on the Western front, and to the success in Palestine as evidence of what might have been achieved if his alternative strategy had been adopted. The generals could point to the immense new forces released from the East by the collapse of Russia, and the swiftness and ease with which on the interior lines they could be wheeled round to the West. Lloyd George forced the resignation of Robertson by placing him in a subordinate position on the Supreme Council and insisted on the dismissal of the Chief of Staff in France. But Haig remained dug in, and turned the blind eye to all intimations from Prime Minister and Cabinet that his resignation would be acceptable. More than ever he considered it his duty to remain at his post unless and until he received orders that he considered to be disastrous.

The argument was, as usual, in the air. The Supreme Council had no more intention than any other military authority to which the question had been submitted of letting forces be withdrawn from France for adventures elsewhere. On the contrary it was soon demanding that the British should lengthen their line and take up a larger share of the burden of defence. Holding to their view that the Western front was "over-insured," British Ministers were persuaded that Haig could do this without being reinforced, and under pressure he consented to prolong his line to a point south of St.

Quentin—an addition of fourteen miles. But he struck when it was proposed that he should contribute seven of the eight divisions that he had in reserve to the reserve pool which the Supreme Council wished to be constituted and kept under their own control. He disbelieved in the handling of military forces by a committee; he said he could not be responsible for the safety of his command if he had only one division at his disposal in reserve. Military opinion has generally supported him in this view, but the argument further strained his relations with the Prime Minister and gave another handle to critics who were in waiting to say that his obstinacy had wrecked their plans.

The shadow of Passchendaele was still over the scene. Fearing another Passchendaele if they were sent to the front, the Government, kept large forces at home, and Haig took over the additional fourteen miles with an army which in "bayonet and sabre" strength was 180,000 men less than it had been at the same time in the previous year. Winston Churchill has related¹ how he argued in vain against this proceeding. His colleagues were "adamant." They believed that the threatened German offensive would fail, as all other offensives had failed on the Western front. They were certain that Haig was strong enough to hold his own, if only he would keep still. They considered that the right strategy was to wait for 1919, when victory would be certain with the aid of the Americans, and held it to be

¹ The Prime Minister and his colleagues were adamant. . . . They were definitely opposed to any renewal of the British offensive in France. They wished the British and French armies to observe during 1918 a holding and defensive attitude. They wished to keep a tight control over their remaining man-power until the arrival of the American millions offered the prospect of decisive success. In the meanwhile, action in Palestine, with forces almost inappreciable in the scale of the Western front, might drive Turkey out of the war and cheer the public mind during a long and grievous vigil. They were fully informed of the growing German concentration against Haig and repeatedly discussed it. But they believed that the Germans, if they attacked, would encounter the same difficulties as had so long baffled us and that our armies were amply strong enough for defence. Haig was accordingly left to face the spring with an army whose 56 Infantry Divisions were reduced from a thirteen- to a ten-battalion basis, and with three instead of five Cavalry Divisions. Winston Churchill, "World Crisis," Vol. II, pp. 384-5.

both humane and wise to spare the remaining British troops as far as possible in the meantime. To give them to Haig would be merely to give him the opportunity of repeating the disasters of the previous year.

2

Humanity and logic alike seemed to justify this conclusion to the men who sat in Downing Street at the beginning of 1918. But it was not the logic of war. The attack which was pending was to be altogether different from any that had gone before, and sitting still on an ill-fortified line with a thinned-out army was to be no answer to it. By the beginning of March there was little doubt that the British army on its new sector would shortly be attacked by all the forces that the Germans could muster in a final bid to end the war. Once more the elements seemed to be on their side. For three years out of the four the land behind the southern part of the new British line had been swamp and bog, and the French had not thought necessary to provide it with strong defences. But this year three unusually dry months had followed the wet autumn and early winter, and the whole terrain in the sector opposite St. Quentin was now hard and dry—practicable for a break-through and follow up. British Headquarters expected the blow to be delivered at or near this point. It was the thinnest part of their line, and being at the juncture of the British and French armies it offered the best opportunity of dividing them and, in the event of a successful follow-through, of cutting their north and south communications. A slight doubt remained whether the concentration against the British was not a feint to cover an attack between Soissons and Rheims, and the firm lodgment of this idea in the mind of some French generals was to account for Pétain's hesitation in bringing the French reserves to the aid of the British. It never had any substantial foundation.

A dense fog covered the ground on the morning of March 21 when the Germans delivered their blow. Pouring shells and gas out of the mist they swept over the Fifth Army, driving it to take refuge behind the Somme and in two days advanced to a greatest depth of nearly forty miles on a front of twenty-five miles. These were the blackest days of the whole war for the British army, and there

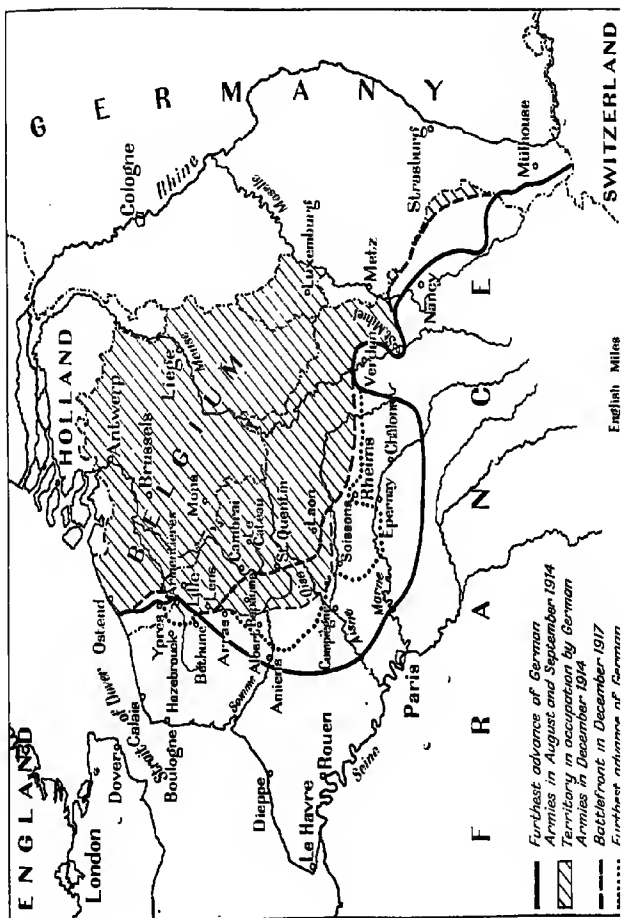
was a moment when it seemed probable that the French would leave it to its fate and retreat south-west for the defence of Paris. The casualties were enormous (14,000 officers and 280,000 other ranks); 65,000 prisoners and 769 guns had fallen into the enemy's hands. But on the 26th there was a rally, and standing on the Ancre the Third Army, with the Anzacs, stemmed the German tide and turned it back from the country north of the Somme. On the 28th, Ludendorff's attack on Arras was definitely defeated.

In the meantime "unity of command" had at last been achieved. Haig had been unwilling to trust the handling of reserves to a committee, but Pétain's hesitations had convinced him that a dual control in which one commander fought a battle and another was in charge of the reserves was equally perilous. The only solution was, in fact, that the British Commander-in-Chief should place himself unreservedly at the disposal of a Generalissimo who, in the circumstances, could only be a Frenchman. He telegraphed to Milner, now Secretary for War, to come to Doullens, where at a Council over which Poincaré presided, and at which Clemenceau was present, Foch was unanimously appointed to "co-ordinate the operations of the Allies on the whole Western front." It was a wise and necessary move, and if it had not been taken the desire of some French generals to save Paris at all costs might have had fatal consequences to both armies.

March 28 may be marked as the turning-point. Some sanguine spirits had declared on the second day that the Germans had failed. Great as their success had been, it had fallen short of their objective; Amiens, said these optimists, must be taken at a rush or it would never be taken. They proved right in the end. Advance over the shell-wrecked ground proved daily more difficult. The very diversity and intensity of the next German attacks wasted and dissipated forces which needed to be concentrated at the vital point if the initial victory was to be followed up. But there were many anxious weeks in which the Germans fought desperately to keep the initiative and the Allies to take it from them.

3

It was in these weeks that the Liberal party found itself caught up in the controversy between Lloyd George and the soldiers with



English Miles

results, quite unforeseen at the time, which were to be far-reaching and disastrous to its own fortunes. On May 7 a letter appeared in the press from Major-General Maurice, a high official soldier, recently Director of Military Operations, challenging a statement by the Prime Minister which seemed to imply that the British army in France was "considerably stronger" at the time of the March attack than in the previous year. General Maurice had been greatly angered by what he considered to be unjust aspersions on the soldiers, and boldly sacrificed his official career in order that the truth, as he believed it to be, should be known.¹

Parliament was bound to take note of such an allegation, and it fell to Asquith, as leader of the Opposition, to ask the Government what steps it proposed to take to investigate General Maurice's charges. Bonar Law replied that it proposed to submit them to two judges. To that Asquith demurred, on the ground, which he had often maintained, that high judicial functionaries should not be involved in political and Parliamentary controversies, and asked for a day to discuss the matter. When the day came (May 9) Asquith proposed an inquiry by a Select Committee instead of by two judges, and developed the argument on that point, while studiously refraining from passing any judgment on the charges and expressing the hope that the Government would emerge from inquiry "not with diminished but with enhanced authority and prestige."

But Ministers, it now appeared, had repented of the idea of holding any sort of inquiry, and the Prime Minister now insisted, with a great show of indignation, that Asquith's motion for a Select Committee would be to all intents and purposes a vote of censure on the Government at a most perilous moment in the war. The effect of this sudden change of front was to throw the debate into confusion. Asquith, who greatly resented what he considered to be a wilful confusion of the issue, unwisely carried his motion to a division, but Liberal members were mostly ignorant of the facts, and, so far as the merits of the case went, the principal criticisms of the Government came from Conservative members many of whom sympathized with General Maurice in the action he had taken. These, however,

¹ The official figures of the strength of the army in the two years will be found in the "Life of Lord Oxford and Asquith," Vol. II, p. 306.

voted with the Government when the division was called, leaving 105 Liberals to persist on the motion for a Select Committee.

Unknown to themselves these 105 were from now onwards marked men and, as will appear subsequently, their fate was to carry with it the practical destruction of the Liberal party. At the moment, however, all thoughts were on the military situation and no one had the slightest presentiment of this ironic political sequel.

4

Ludendorff's next move was a powerful offensive in Flanders which again had a great and immediate success, but once more fell short of its objective, the important railway junction of Hazebrouck, the capture of which would have been only less serious than that of Amiens.¹ Then he turned to the Ypres salient and carried the Hill of Kemmel, to be brought to a stand by French reinforcements. When he had done his worst, all the important ridges remained in British and French hands.

At the end of May he gathered all his forces for a last great offensive against the French, in which the same story was repeated. Attacking on the heights above the Aisne he swept over the Chemin des Dames and reached the Marne within forty miles of Paris, but once more was brought to a standstill, this time by the Americans whom he now met for the first time in force, and who drove him back in a most gallant action at Château Thierry (June 13). Being left in a dangerous salient (Rheims—Château Thierry—Soissons) by this reverse, he had a last fling east of Rheims, but this ended in a crushing defeat (July 15). A few days later the French counter-attacked on the Marne and won a victory which compelled him to cancel the plans he was making for another

¹ It was on this occasion that Haig issued his famous "General Order of the Day":

"Many of us now are tired. To those I would say that victory will belong to those who hold out the longest. . . . There is no other course open to us but to fight it out! Every position must be held to the last man; there must be no retirement. With our backs to the wall and believing in the justice of our cause, each one of us must fight on to the end. The safety of our Homes and the Freedom of mankind alike depend upon the conduct of each one of us at this critical point."

offensive in Flanders, and to bring his troops south to enable him to extricate himself from the Marne and get to safety behind the Vesle. By the end of July the initiative had definitely passed to the Allies.

Whatever criticism may have been passed on the Governments, either French or British, during the previous months, both rose splendidly to the occasion at this dangerous time. Clemenceau in France and Lloyd George in England were now seen at their best. Both were convinced that they were great strategists and both had made themselves a terror to their respective generals, but they were in fact incomparable leaders of the civilian hosts on whose support and energy the fighting soldiers relied. In the blackest of the March days there was no whisper of defeat among British Ministers or the British people. If the worst happened and the Channel ports were lost, they were ready to fight on with their American Allies, relying on their fleet, organizing new ways of feeding the great centres of population, bringing every man who could handle a rifle to the defence of the country. Schemes were laid for the worst while every possible measure was taken to make good the losses and retrieve the situation in France and Flanders. Easterners and Westerners were at last of one mind. The General Reserve which had been kept at home was dispatched at all speed to the front; troops were recalled from Palestine and other Eastern fronts. Before the end of July the British divisions broken up before the March offensive had been reconstituted and American troops were arriving at the rate of 300,000 a month and being pushed into the fighting line. Pershing, their commander, had, with great magnanimity, placed himself at the disposal of the unified Allies and permitted them to be used wherever the need was greatest. All this was a sentence of doom to the Germans who saw their reserves dwindling with no hope of making them good, whereas their enemy had behind him an inexhaustible untapped reservoir of man-power and resources.

5

But below the surface the old mistrust of Haig and the British generals still lingered in the minds of Prime Minister and War Council. Wilson, the Chief of the Imperial General Staff, advised them that it would be unwise to attempt to gain a decisive victory before 1920,

that the main offensive campaign should not be opened until July, 1919, and that in the meantime "the most urgent consideration" was "the establishment of British control in the Caspian and the security of our lines of communication from Bagdad."¹ They accordingly watched with anxiety as Haig seemed more and more to be reviving the spirit of the offensive. On August 8, after only three days' preparation, he launched an attack which fell on the enemy as a complete surprise. The right use of the tanks had now been discovered. A swarm of them, 360 heavy and 100 "whippets," swept over the ground clearing all before them and preparing the way for the advance of the infantry. By the evening Amiens and the vital railway communications were freed from the last German threat. But the moral results of this victory were even greater than the material. Ludendorff said in a much-quoted phrase that August 8 was "the blackest day for the German army in the history of the war"; the Kaiser said, "We are at the end of our resources, the war must be ended." All the military experts agreed that this operation had been both skilfully planned and brilliantly executed.

Haig had now recovered his prestige and was able to carry his plan for developing this battle against Foch's preference for continuing frontal attacks. Again the Government warned and on the eve of his next advance on August 21 sent him a telegram begging him to remember the "grave consequences which would result from a further heavy blood-drain."² This did not deter him. In an attack which extended from Arras southwards on a front of thirty-three miles, he turned the enemy's line, compelled him to evacuate his great salient on the Somme, and drove him back beyond Bapaume. In a few days all and much more than all that had fought for in the great Somme battle of 1916 was in our hands. On the last day of August the Australians under Monash gave the finish to this operation by driving the Germans from Mont St. Quentin, the commanding position north of Peronne; and on September 2 the First Army under Horne delivered a heavy blow at the great German Hindenburg line—the enemy's chief entrenchment in the northern area—by breaking through

¹ See Memorandum by Sir Henry Wilson, July 28, quoted by Major-General Charteris, "Field-Marshal Earl Haig," p. 344.

² Churchill, "World Crisis," Vol. IV, p. 517.

the Drocourt-Quéant switch which had connected it with the previous defence line east of Arras, and so threatening the security of the whole system.

6

Lloyd George would deprive Haig—and incidentally the British army—of the credit of these operations. "Haig," he says, "was a painstaking professional soldier with a sound intelligence of secondary quality. He had the courage and stubbornness of his race and also a large measure of their business capacity. In the Peninsular war he would have won renown as a general—under Wellington. In this war he would have done well as Commander of an Army Corps or an Army where strategy was determined by a bigger man. He did well in the concluding stages of the 1918 campaign—under Foch's supreme direction. But he did not possess the necessary breadth of vision or imagination to plan a great campaign against some of the ablest generals in the war. I never met any man in a high position who seemed to me so utterly devoid of imagination."¹

Haig's operations in August, 1918, are the measure of this judgment. He took the immense responsibility of his August offensives against the warning of the Government and carried it through on his own shoulders. He and not Foch planned the subsequent operations which finally broke down the war of the trenches and made possible the winning of the war in 1918 when both Governments, British and French, were planning the final campaign for the summer of 1919. Foch's laurels are undisputed, and no Englishman would strip a leaf from them, but only a leader who possessed in a high degree the qualities of military vision and imagination could have acted as Haig did in these weeks. If those who employed him need justification for not removing him, they will find it abundantly in the records of this time.

On September 12 the Americans, acting for the first time as an independent army, drove the enemy from the St. Mihiel Salient to the south-west of Verdun. On the Northern front the Germans had been thrown back to the Hindenburg line by the middle of the month, and Haig was making preparations for an assault on that formidable

¹ "War Memories," Vol. IV, p. 2266.

entrenchment, in conformity with Foch's plan for a converging attack on all fronts by Americans, French, British and Belgians simultaneously. The British Cabinet still doubted. Milner, returning from a visit to France on the 23rd, thought Haig "ridiculously optimistic" and told Wilson he was "afraid he might embark on another Passchendaele."¹ A last warning was sent to Haig that an unsuccessful attack with heavy casualties might have a serious effect on public opinion, whereupon Haig came to London, argued his case and won his point.² This time the Hindenburg line was held by wearied and exhausted men, who in spite of a stubborn and valiant resistance could be no match for their assailants. On September 29 the British Fourth Army had a rapid and complete success on the southern part from Bullecourt to St. Quentin; and though Americans and Australians were held up on the difficult ground farther north the great defensive system was broken. In the meantime a Belgian attack under King Albert had swept over the old Passchendaele battlefield and recaptured Passchendaele and Houthurst Forest (Sept. 28).

To the south French and Americans had been fighting desperately in Champagne and the Argonne where the Germans made a magnificent last stand. Foch had hoped that a successful blow between Rheims and the Meuse would cut off the retreat of a large part of the German army and compel its surrender. Great progress was made, but the Germans fought every inch of the ground and before Foch's "pinchers" could act the Germans had asked for an armistice, which was granted on November 11. In subsequent years the Germans suggested that the war was lost by treachery on the "home front." It was not so. The army was utterly worn out and the last combined attacks had shattered the nerve of the higher command. Ludendorff was convinced that an immediate peace was necessary.

7

It remains to glance at events on other fronts.

In Russia the Red Revolution had extinguished the moderates and

¹ Wilson, "Diaries," Vol. II, p. 126.

² "A History of the Great War," by C. R. M. F. Cruttwell, p. 563. Mr. Cruttwell's book was the fairest and most comprehensive history of the War by an English writer that had appeared up to the year 1935.

instituted a reign of terror in which immense numbers of property-owners, "bourgeois," and "intelligentsia" were shot, hanged or driven into exile. On July 16, 1918, the Tsar, with his wife, son and two daughters, were cruelly murdered in the basement of a house at Ekaterinburg where they had been held prisoners since his abdication in the previous year. The excuse offered for this brutality was that they would otherwise have fallen into the hands of a body of Czechoslovakians and White Russians who were advancing from the east, but to wipe out the Imperial Family was part of the deliberate policy of the Revolutionaries, and the local Soviet which was immediately responsible had no difficulty in obtaining the approval of the Central Executive Committee in Moscow. The thrill of horror which passed over Europe at the news of this crime was largely responsible for the assistance given by the other nations during the next two years to the White Russian counter-Revolutionary movement.

With the tide running against them on the West, the Germans could no longer send relief to Turks and Bulgarians and the Allies now renewed their attacks on both. In September and October Allenby drove the Turks from Palestine, and pushing forwards to Aleppo and Damascus joined hands with Lawrence, whose leadership of the Arabs, commemorated in his own epic, had been one of the most gallant and romantic incidents of the war. At the same time the luckless Salonica expedition which, since the fall of Venizelos, had been an embarrassed and unwanted guest on Greek soil, at length served a useful purpose. Advancing from Salonica, General Guillaumat marched into Bulgaria with an allied force of 180,000 men. The few German battalions remaining in the country tried in vain to stir the Bulgars to resist. They judged their case hopeless and after a last fling at the British contingent in the Doiran defile walked back and surrendered (Sept. 30). Tsar Ferdinand, the old fox of Central Europe, handed the throne to his son Boris and fled from Sofia, thus ending his long career of time-serving intrigue. By this time Austria-Hungary was in a state of collapse, which made formalities of little importance. If she had lost the war, her subject nations had won it, and at the last minute of the twelfth hour she was endeavouring to come to terms with these victorious members of her own family. During October, the Poles proclaimed their independence at Warsaw, the Ukrainians set up their

national Council, the Czechs formed a Government at Paris, and Serbs, Croats, Slovaks and other races kept up a continuous shout for freedom from the Habsburg yoke. On October 16 the Emperor Karl issued a manifesto promising that every nation should become a separate State, but true to their character, the Magyars wrecked even this despairing effort by insisting that it should not apply to Hungary. In the last days of October separate Governments sprang up in Prague, Laibach, Serajevo, Trieste, Cracow and Lemberg, and a "neutral" Government was established in Vienna to "liquidate" what remained of the Central Government. Meanwhile the Italians, now completely recovered from their reverses, were threatening a new offensive, and it finally fell to them, and not to President Wilson to whom the Emperor had appealed, to fix the conditions of the armistice arranged on November 2. Ten days later the Emperor abdicated, and a German-Austrian Republic was proclaimed in Vienna. Hungary, meanwhile, was in convulsions and the famous Magyar leader, Tisza, was assassinated in Budapest.

For Turkey the end of the war was signified by the Allied occupation of the Straits on October 30. She had lost the whole of Arabia, Palestine and Syria; her "homelands" in Asia Minor lay at the mercy of the Allies; her Sultan at Constantinople was a puppet in their hands. Her solitary consolation was that her secular enemy, Russia, to whom both Constantinople and the Straits had been assigned as her share of the spoils, was also among the defeated. This was later to give the Turks a new opportunity. Having left that part of their business to Russia, the Allies had no plans for dealing with Turkey.

The last act was now being played out in Germany. On October 29 the Kaiser left Berlin, which was seething with unrest, and betook himself to Army Head-quarters at Spa. The majority Socialists were already demanding his abdication as the only alternative to revolution, but he was still persuaded that he could rely on the Army—"my Army"—to support him against the mob. All through the subsequent week he was "ordering"—which now meant begging, entreating, imploring—the soldiers to prepare for this new kind of war, "this operation in the interior," as it was euphemistically called, and on October 8 he flatly rejected the proposal which came from Berlin on the instigation of the majority Socialists that he should abdicate

without delay. Prince Max of Baden, the well-meaning but distracted Chancellor, was not the man for this occasion. A faithful royalist and a relation of the Kaiser, he shrank from telling His Majesty the truth, over the telephone from Berlin to Spa. That was left to the soldiers, Hindenburg and Groener, who now had the painful duty of informing him that the German army was no longer "my Army," and that instead of acknowledging him as leader it would make common cause with the multitude which wished to depose him and would probably have no respect for his person. The soldiers, they said, would follow their commanders in an orderly return home, but they certainly would not follow him or accept any orders from him to fire on their fellow citizens.

If he had not to the last been surrounded by courtiers and flatterers the Kaiser would not have needed this instruction. For on the day that he retired to Spa the sailors of the High Sea Fleet had revolted against an order which Scheer had issued for a desperate last fling—a "death-ride," as they called it—against the British, and were marching in their thousands through ports and towns, bearing the red flag, setting up soldiers' and sailors' councils on the Russian model, meeting no resistance and even being received as messengers of good tidings. After their immense efforts and patient sufferings in war and blockade the German people were worn out. It was more probable, if they were put to the test, that they would sack the palace, whose cellars were said to be piled up with delicacies after the years of starvation, than that they would give their lives to restore this fallen idol.

After dallying with the strange thought that he could remain King of Prussia, though abdicating as German Emperor, the Kaiser wrote out his abdication on the morning of November 9 and Prince Max immediately announced it in Berlin, and at the same time handed over his office to "Ebert the saddler." Early in the afternoon the Republic was proclaimed from the steps of the Reichstag and the saddler became its first President. The next morning the Kaiser fled across the Dutch frontier. At the front Erzberger and the German Commissioners, who had come in under a white flag, were appealing to the "Fourteen Points" which President Wilson had enunciated as the foundation of a new world-order,¹ and struggling to abate the terms on

¹ See Appendix III.

which Foch and the British Commissioners insisted. But they were now in a state of desperate necessity and on November 11 they signed. They were required to evacuate all French territory, to cede Alsace-Lorraine, to retire beyond the Rhine, to withdraw their troops on all fronts within the pre-war frontiers, to surrender the chief part of their heavy armaments and transport, to submit to the internment of their fleet in neutral or allied ports, to return all allied merchantmen, to renounce the treaties of Brest-Litovsk and Bucharest, to promise reparation for damage, and return all valuables and securities. On the other hand, the blockade was to continue.

There were insatiable fighters who were still in favour of going on and pursuing the Germans into their own country. Only, they said, if the enemy were made to take his own medicine and see his country fouled and devastated by an invading army, as theirs had been, would he learn his lesson. Humanity forbade. All responsible men, soldiers and civilians, agreed that it would be a crime to waste another life after the cease-fire had sounded. Men and women in all countries suddenly realized the terrible nature of the burden that had been lifted off them on November 11, 1918. Familiarity had hardened them to its dreadful incidents—the daily lists of dead and wounded, the summons to the death-bed, the leave-taking and the suspense, the clutch at the heart when the door-bell rang, the effort to find comfort in the dusty thought that “nothing was here for tears,” though a million young lives were cut off. The world seemed suddenly to have come out of the valley of the shadow, and to a great multitude in the defeated countries, peace, even at this price, came as a blessed relief.

8

It was the terrible novelties of the Great War—novelties of which the inexhausted possibilities hang like an evil dream over the modern world—which chiefly impressed the imagination. Before it was over, aeroplane, submarine, tank, poison gas, high explosives, and long-range guns had revolutionized the art of war, wrecked Geneva Conventions and extinguished whatever remained of mediæval romance or chivalry between fighting men. For three years out of the four scouts flying above the lines and reporting everything that was going forward

"on the other side of the hill" robbed strategy of the element of surprise, and threw it back on the use of brute force against opposing brute force which knew what it had to expect. The means adopted to make one mass prevail over the other were nearly all chemical or mechanical—high explosives, gas, tanks—and only when the masses were broken down did strategy begin to come into its own again. Civilian critics railed at the lack of imagination and ingenuity shown by British and French generals and compared them unfavourably with the Ludendorffs, Hindenburgs and Brusiloffs who were displaying their talents in the open warfare of the Eastern front. But when brought from East to West the great German generals could do nothing better than repeat the massed attacks of the previous period, and were certainly not superior to Foch and Haig in the final phase of open warfare.

In despair at the deadlock all the belligerents tried to break the morale at first of the armies and finally of the civil populations. The Germans hoped that the sudden effusion of gas at Festubert in March, 1915, would so demoralize British and French as to drive them in confusion from the trenches. The discovery and supply within a few days of the right counter to this form of attack was one of the triumphs of the British medical service, and it meant that the Germans had supplied their enemy with a weapon which could be turned with even deadlier effect upon themselves. For they had apparently neglected to observe that the wind blew from west to east on far more days in the year than from east to west. The beginners of frightfulness seem very often to have forgotten that two could play at this game.

Frightfulness practised on the civilian populations exasperated without intimidating. To many the warning guns which told of the coming air-raid, the hour of suspense filled with the sounds of falling bombs and battle in the air, and the relief of the all-clear call are still their most vivid memories of the war. Terrible scenes which would have filled the newspapers with horrors, if the censorship had permitted, accompanied some of these attacks. Bombs fell upon shelters where people were crowded together, killing them in scores, set fire to workshops where girls were at work, crashed into playgrounds where little children were at play. A bomb fell into a crowded street in Folkestone killing 33 people, mostly women; Hull, Lowestoft,

Yarmouth, Chatham, Dover, all suffered similar visitations, and in the spring of 1918 there were two and even three raids a week on London.

But the total casualties in England from this cause were no more than 1,400 killed and 3,400 wounded, a negligible number in comparison with the death-roll at the front, and altogether useless for any military purpose, but providing excuse for reprisals on German towns inflicting similar cruelties. Montesquieu said that kings should so make war as to do one another and their respective subjects as little damage as possible. The art and science of modern war inverts this idea.

The sinking of the *Lusitania* in May, 1915, sent a thrill of horror through the world. In spite of whispered warnings, it was supposed to be unthinkable that the Germans could sink a great ship crowded with men and women of all nations without the means of rescuing passengers and crew, as the supposed laws of sea-warfare required. Before the war ended this savagery had become a daily incident, and in the subsequent years it has apparently been taken for granted that it will be practised without limit in any future war. If anything was proved by the Great War, it was that the effort to humanize war by conventions made in time of peace is doomed to failure. The four and a half years of the war habituated an immense number in all countries to the practice of violence without limit in the pursuit of victory or power, and it was improbable that this lesson would be unlearned when the war ended.

Against this may be set the greater efficiency and humanity of the treatment of the wounded. Modern surgery and bacteriology here had their chance and rose splendidly to the occasion. In the British army there was practically none of the enteric fever which in the South African war had been so devastating. A high proportion of the wounded returned to the fighting ranks. There were certain breakdowns. Confused arrangements between army and navy caused unnecessary suffering in the Dardanelles; lack of forethought and adequate provision had even worse results in the earlier Mesopotamian campaigns. The Expeditionary Force was sent to France at the beginning of the war without its hospital equipment, under the mistaken idea that the wounded could be transported speedily from the

fighting line to base hospitals in England¹ But this was remedied as soon as the consequences were realized, and a perfectly organized system of field hospitals, casualty-clearing stations, hospital trains and base hospitals at the front and in England was instituted before the winter of 1914 Army surgeons and civilian surgeons worked in perfect harmony under the general direction of Sir Alfred Keogh, the Director-General of Medical Services Women gave devoted service, medical researchers and sanitary experts pooled their knowledge and experience to combat disease and make life bearable in the horror and squalor of war Terrible as are the memories of the Great War it may at least be said that no army was ever better cared for than the British, which fought in France and Flanders in these years

The toll, nevertheless, was fearful It is computed that over the whole field nearly thirteen millions were either killed in battle or died of wounds or disease The British casualties were 947,000 dead or missing, including 141,000 Dominion or Colonial and 61,000 Indians and 1,700,000 wounded It only remains to add as a minor item in the account that the war cost Great Britain £8,417,000,000, of which £6,775,000,000 was added to the National Debt, bringing the total up to £7,480,000,000

¹ For details of this see the writer's "Life, Journalism and Politics," Vol II, Ch XXII

BOOK FIVE
THE AFTERMATH
1918-35

CHAPTER XLVIII
THE VICTORY ELECTION

1918

I

THE war was no sooner over than Lloyd George confided to Bonar Law that he thought a General Election should take place with the least possible delay. There were plausible reasons for so thinking. The existing Parliament had been elected nearly eight years previously, on issues long spent and dead; the expiring Parliament has just passed a great new franchise Act, abolishing property qualifications, trebling the number of the electorate; giving 8,000,000 women the right to vote. All precedent required that such a measure should be followed quickly by a general election, and it was specially necessary that Ministers should be fortified by a vote of confidence from the new voters before proceeding to the Peace Conference. Patriotic politicians dwelt forcibly on the necessity and justice of consulting soldiers and sailors about the coming peace and providing means for their voting though they were still on service.

But there was one considerable difficulty if fair dealing between the three political parties was an object worth considering at this moment. All three had with few exceptions loyally supported the Government in the conduct of the war, and for the time being there were no political issues which divided them. But the Unionist party were naturally unwilling to perpetuate the existing balance of parties which would have left them in a minority of more than 100 in a House likely to last for several years. Bonar Law was firm on the point that constituencies must be found for a large number of his supporters. But how were they to be found? Only a very small minority in the existing House of Commons had in any sense opposed the Govern-

ment, and none of the remainder had acted in any way that fairly exposed them to the censure of their constituents. Moreover, the political parties had dismantled their machinery and diverted it to war purposes on what they had supposed to be an honourable understanding that they would not be prejudiced when the time came for the renewal of normal politics. Reasonable warning and opportunity for political associations to consider their position and choose their own candidates seemed to be elementary fair play, if political warfare was to be resumed.

This was impossible if an immediate election was, as Bonar Law and Lloyd George assured one another, a necessity of the situation. Such an election was bound to be the all but automatic return of candidates chosen and approved by the Government itself, which at that moment had an irresistible weapon in its hands through the union of the two principal parties under one head. It was as certain as anything could be that candidates certified by both would command enough votes from their two parties to render opposition all but hopeless in the great majority of constituencies. Scarcely anywhere would an independent candidate be able to hold his own against Lloyd George advising Liberals and Bonar Law advising Conservatives to vote against him. This was the assumption on which the two leaders proceeded to the election, and it was thoroughly well founded.

The situation being thus in the hands of the Government, and an election being said to be imperative, Lloyd George could do nothing else than eliminate a sufficient number of Liberals to give the Unionist leader the preponderance which he claimed in the new Parliament. How it was done was explained afterwards by Sir William Younger¹ the principal organizer of the Unionist party. The Prime Minister "kept all the seats he could contest"—and "since he had no organization, he had not many candidates ready"—and left the rest to the Unionist party. That "settled right away 400 contests," including practically all the seats for which the sitting Unionist members were seeking re-election, or for which Unionist candidates had been chosen, but only a specially selected number of seats held by Liberals or for which Liberal candidates were in the field. In all other seats Liberal members seeking re-election, or Liberal candidates seeking election,

¹ Speech at Alloa, January 23, 1919.

were marked down as opponents of the Government, and candidates certified by the Government as desirable appointed to oppose them. The certificate, which Asquith dubbed "the coupon," took the form of letters recommending them addressed to Liberals and Conservatives respectively by Lloyd George and Bonar Law.

2

In this process Bonar Law had the easy and pleasant task of filling the House of Commons with his supporters, and Lloyd George the disagreeable one of sentencing to political death a large number of the members of his own party. Having made up his mind that this was necessary, he did it without flinching and in the manner which was likely at that moment to be most dangerous to the victims. Looking back over the previous two years he pitched on the solitary occasion—the debate and division on the Maurice letter—on which any considerable number of Liberals had voted against the Government—there were 105 of them—and decided that all who were seeking re-election should be proscribed. It now appeared that both he and Bonar Law had been nursing a grievance on this subject for all the subsequent six months, and they took a very high line about it. They were acting, they explained, from the highest motives. The times, they said, required not ordinary politicians who might turn against a Government at a critical moment, but serious and reliable men who would pledge themselves to give unqualified and whole-hearted support to the Government not only during the Peace Conference but for the full period of the Parliament. "It was no use," as Lloyd George put it, "having a small majority and, what is worse than a small majority, a majority that is not quite sure what it will do, about which you are not quite sure when you are in difficulties whether it will turn on you."

The Prime Minister warmed to this theme as the election proceeded. He discovered that the Maurice debate was a conspiracy to thwart the Government when it was engaged in a desperate struggle to achieve unity of command at the darkest moment of the fortunes of the Allies—"the Government to be flung out, confusion created here, invaluable time lost." Asquith was pardonably astonished to find himself branded as a conspirator against his country for having

ventured to propose a Select Committee of the House of Commons as a more suitable body to investigate General Maurice's charges than the tribunal of judges proposed by Bonar Law, but since the Coalition leaders had decided that the sacrifice of the illustrious ex-Prime Minister, their former chief, was a political necessity, no milder indictment would have served. The whole case was an absurdity : there was not the remotest connexion between the Maurice debate and unity of command, and no human being could have read into Asquith's speech on that occasion the motive imputed to him, but there was no other way of dividing the Liberals in the existing Parliament into sheep and goats as the occasion required.

3

Any stick to beat any dog would have sufficed at that moment, and a blow was delivered at the Liberal party from which it never recovered. But another aspect of the election had even more serious consequences. On the day after the Armistice Lloyd George had summoned his Liberal supporters and spoken to them of a peace "based on the fundamental principles of righteousness" and of the need of putting from their minds "base, sordid, squalid ideas of vengeance and avarice" ; and in their joint manifesto at the beginning of the election he and Bonar Law had dwelt on the League of Nations and the need of disarmament and said that "our first task must be to conclude a just and lasting peace and so to establish the foundations of a new Europe that occasion for further war may ever be averted." This seemed to be generally approved, but it was not long before party managers advised that stronger meat was necessary for the electorate in its present mood. Lord Northcliffe was at large with his powerful press warning against the misplaced leniency which would "spare the Huns" ; and electioneers returning from the country to London reported that a hungry electorate would not be appeased by appeals for moderation in the hour of victory. Vast numbers, wholly unaware of the economic problems involved, had got it into their heads that the Germans could, and therefore should be made to, pay the whole costs of the war, stated to be about £24,000,000,000 ; and popular newspapers said that any weakness on this point would be fatal to the Government.

Though there never was the smallest doubt that the Government was sure of the amplest majority on any line on which they chose to go to the country, leading Ministers seem to have been shaken by these reports and devoted themselves to giving the country what it was supposed to want. From this point onwards the election became an orgy of Chauvinism, and before it was over the Prime Minister had committed himself to trying the Kaiser, punishing those of the enemy who were guilty of atrocities and exacting the fullest indemnities. He did not commit himself to the exact figure of £24,000,000,000 which was in the air—he even said that “having consulted the financial advisers he could not honestly encourage the hope that we should get so much”—but he said that a Committee appointed by direction of the Cabinet believed that the whole cost of the war could be recovered.¹ In the Guildhall at Cambridge a member of the Government spoke of squeezing Germany as you squeeze a lemon, “squeezing her until you can hear the pips squeak.”

4

For ten days this storm of anger and folly swept over the country reducing to silence the voices of sense and moderation. It was a passing madness, well within the control of a responsible Government, but if an overwhelming majority of docile supporters was indeed a national necessity it more than served its purpose. When the election came, the Independent Liberals were reduced to 33 and Labour to 63 against a solid Coalition block of 526. Among the victims was Asquith whose constituents, faithful to him for forty years till that moment, succumbed to the mass emotions of the moment, “Asquith nearly lost you the war, will you let him lose you the peace?” was one of the slogans of the hour. There were eighty Irish and a few Independents in the new Parliament, but since the Irish, who were now all Sinn Feiners, did not attend, the Coalition had a working majority of 420—a majority, the economist Maynard Keynes said at the time, consisting largely of “hard-faced men who looked as if they had done very well out of the war.”

It seemed a great triumph, but it was in reality a great disaster for Europe as well as for Britain herself. It meant that the British repre-

¹ Speech at Bristol, December 11, 1918.

sentatives went to the Peace Conference loaded with pledges which it was impossible to fulfil, but which would prevent them from playing the part most congenial to the British temperament and most in line with British traditions of moderation in the hour of victory.

The British election of 1918 has in the after years become one of the stock instances of the perils of democracy in international affairs, but it may fairly be said that no political system would have stood the strain of a heated appeal to sentiment and passion at the end of a long and ruthless war. The necessity of holding an election at that moment is an unproved assertion, but, if it is granted, the leaders of the Coalition still had it within their power to guide it on the lines which they laid down at the beginning with abundant support from the serious and sober part of the country. It is customary to lay the whole blame on Lloyd George for what are now admitted to have been the excesses of the time, but it is fair to remember that the driving forces came mainly from the Conservative press, and that Conservative members of the Coalition were as vocal as he in their responses to this pressure. Of the two parties to the Coalition it was in the end the Conservative party which reaped the main benefit, and Lloyd George who was to be the principal victim, of this operation.

CHAPTER XLIX
PEACE-MAKING AT PARIS

1919

I

ALL the victorious clans were gathered in Paris in January, 1919. They came from near and far, from China and Japan, from Central American Republics which had "adhered" to the Allies, as well as from Europe and the Nearer East. With them marched an army of secretaries, typists, experts and propagandists, and a long trail of causes and crochets claiming to be heard. Watch'over this scene was kept by a great company of newspaper correspondents who constantly reminded the chief actors that they had behind them millions of ardent supporters watching jealously lest the fruits of victory should be sacrificed in the making of peace. The mass of material accumulated and the innumerable questions clamouring for answer might well have tested the human brain at its wisest and coolest, but in the weeks that followed the best brains and the ablest statesmen often seemed mere windlestraws in the storm of passion and egotism that raged about them. Nothing could less have resembled the grave and secret conclaves which had assembled in Vienna, Paris and London on similar occasions in past times.

To organize a working authority out of the mob of delegates was in itself a task of no slight difficulty. The big Powers began by weeding out the smaller and constituted a Council of Ten consisting of the President of the United States and his Secretary of State, and the Prime Ministers of Britain, France, Italy and Japan with their Foreign Secretaries; all with secretaries and experts in attendance. This sat for two months, at the end of which the President and Prime Ministers decided that the extremely difficult and delicate questions which con-

fronted them could not conveniently be discussed before so large and miscellaneous an audience. They accordingly slipped away to an inner chamber of their own, leaving the Foreign Secretaries to debate with one another, if they chose to do so, as a nominal "Council of Five," to be carefully distinguished from themselves, who were now known as "the Big Five." By degrees the "Big Five" became the "Big Four," and finally the "Big Three," for the Japanese took little interest in European affairs, and the Italians seemed to be wholly concentrated on the claims of their own country. The "Big Three" were President Wilson, Clemenceau, and Lloyd George, and no small part of the Peace Treaty resulted from the play and clash of their differing temperaments and points of view.

Clemenceau, with his memory of the war of 1870 and his ineradicable belief that an interminable cycle of wars between France and Germany was part of the doom of history, had in view the simple object of disarming Germany for as long as possible, and so impoverishing her that the rebuilding of her military power would be deferred to the remote future. He would do to Germany even more effectively what Bismarck had tried to do to France when he had her in the dust forty-seven years earlier, and he would not make Bismarck's mistake of leaving his enemy armed. Lloyd George had glimpses of a peace of moderation which might end this interminable feud and at times fought very gamely for this, but he came to Paris loaded with pledges given to angry voters in the heat of the British elections and found himself the prisoner of the excited opinion which he had fomented. Before the war he had paid little attention to international affairs, and his habit of mind was that of a skilful politician doing battle on platforms with political opponents. Incomparable at the short-term business of turning corners, parrying awkward question and flooring opponents, he was now called upon to lay the foundations of a new world order. He presents himself as a dual personality in which the politician is at war with the statesman, and the statesman is constantly tripped up by the forces which the politician had set in motion.

The version which represents President Wilson as the innocent victim of these two is somewhat over-coloured. Wilson, too, was politician as well as statesman, and not a few of his difficulties had been created for him by the political overreaching which had alienated

the Republican party at the Congressional election of 1918. He came to Paris not as the acknowledged representative of the whole American people, but as the nominee of a party which had won but a narrow victory at the election of 1916, and he treated his opponents with an impolitic lack of generosity in the subsequent months. Lloyd George's refusal to associate Asquith with himself in the negotiations was matched by Wilson's neglect of the many able Republicans who were at his disposal in 1919, and his choice of some of the least conspicuous of them in token acknowledgment that the occasion transcended party. An ill-natured critic compared him to the beech in whose shadow nothing will grow ; it is enough to say that he was by nature impatient of the near presence of other very able men.

These were dangerous infirmities in the conditions as they were in Paris in 1919. Wilson had neither behind him the unanimous backing of his country, nor by his side men of authority to fortify and correct his judgment. He brought with him a team of competent experts and one man, Colonel House, whose knowledge of Europe and shrewd penetration were, or should have been, invaluable. But none of these had the standing which would have enabled them to speak as equals or to follow the President into the sanctuary of the Big Three, where the greater decisions were made. There he fought a lone battle against men who were incomparably better equipped for the exigencies of that particular occasion.

The figure of Wilson will, nevertheless, always command sympathy and respect. There was never a question of his sincerity. He had come to Europe bringing a new gospel for the healing of the nations—the gospel of the Fourteen Points—and had everywhere been received with acclamation. No man ever had such ovations as had greeted him in London, Paris and Rome successively, and he interpreted them as meaning that the peoples had seen and hailed this great light. There followed a gradual and wearisome disillusion under which his health gave way. The light had to be brought down from heaven to earth, and at this point trouble set in. It had been assumed that the President would bring with him a detailed plan for the application of his points—a scheme for the League of Nations, schemes showing how the principle of self-determination could be applied to the tangle of European boundaries and conditions, pro-

posals for adjusting the "freedom of the seas" to the new conditions of warfare, and so forth. In fact he had brought little or nothing with him but the "Points," and these under analysis were capable of a great variety of different and even conflicting interpretations. How, for instance, was the principle of self determination to be fitted into the international conception of the League of Nations?

The impressive rhetoric in which Wilson had expounded his ideas served little in answering these questions, and at an early stage the task of giving it form and substance passed out of his hands into those of practical politicians who got week by week a little farther from his ideals in their struggles with the immediate situation. It is easy to blame them, but the world in which they were working was one of seething national passions in which some compromise with the ideal was inevitable, if any sort of peace was to be obtained. It seemed much more important to satisfy Poles, Czechs, Italians and Serbs than to keep the purity of the "Fourteen Points" unstained. Inevitably as this work proceeded the President too was caught up into the atmosphere of compromise. Once or twice he broke out, as when he appealed to the Italian people over the heads of their delegates and received in answer a roar of execration from the very crowds which had received him in acclamation a few weeks earlier; or again later when he ordered the *George Washington* to take him back to America and counter-ordered it on an assurance that he had misunderstood the situation. At all critical moments his choice was to break loose and take his departure, denouncing the European apostates, or to stay and persuade himself that the sacrifices he was making were justified by the achievement of his great object, the institution of the League of Nations. History has yet to say whether he chose the worse alternative. But he had a mind which felt the need of convincing itself, and in his effort to believe that the peace, as it actually was, could be reconciled with the "Fourteen Points," as he intended them to be, he developed a casuistry which exposed him to the scorn of the uncompromising.

But neither the Council of Ten nor the "Big Five," nor the "Big Three" were competent to deal with the enormous mass of material which needed to be sifted and arranged. That task they delegated to Commissions of which no fewer than fifty-six were at work, and held

between them 1646 sessions before the Treaty was signed. It was their business to feed the "Big Three" with details about races, boundaries and political and historical conditions, about finance, economics, trade, labour, religion and all other relevant human activities in Europe and the world.

They worked heroically, but the piling of all this material upon the "Big Three" produced an enormous indigestion of fact and opinion. One of these potentates raised laughter by confessing himself ignorant of the whereabouts of Teschen, but if his colleagues preserved a reputation for omniscience it was very often because they prudently kept the state of their knowledge to themselves.

2

The habit of blaming the Treaty of Versailles for everything has been greatly overdone in the subsequent years. It was the war and not the Treaty which was responsible for the major decisions. The negotiators at Paris did not, as is commonly asserted, break the Habsburg Empire in pieces; it was broken beyond repair before it came into their hands. Nor did they create or re-create the Kingdom of Poland; that followed automatically from the defeat of Germany, Austria and Russia. Nor did they restore Alsace-Lorraine to France; the restoration was accomplished when the Germans laid down their arms. A large part of the material was given to them in a form already fixed before it reached their hands, and for that nothing remained but to give it legal shape and supply the necessary detail. This in the main was the work of the Commissions; and a large part of the Treaty consists of recommendations taken bodily from their reports. Very able men contributed to these reports, and the work was as well done as was possible under the pressure of time and circumstance.

There remained certain great outstanding questions which fell finally to the "Big Three." These were in the main the position of the League of Nations in the reconstructed Europe, the territory to be taken from Germany in addition to Alsace-Lorraine, and the question of Reparations and other punitive measures. Rumour said that fierce battles were raging on all these in the inner sanctum of the Big Four, and on all of them the newspapers of their respective countries

were soon in hot controversy. The result was what the Germans denounced as a merciless peace, but what some of the Allies regarded as a compromise and a weak one. The President won a victory by getting the League of Nations placed in the forefront of the Treaty—seemingly the high symbol of the new order—but paid by making disastrous concessions on Reparations and entangling himself in guarantees to the French which he was unable to make good. Lloyd George joined hands with Wilson in defeating Marshal Foch's claim to the left bank of the Rhine, but conceded a period of occupation which boded ill for any speedy reconciliation. The claims for Reparations were so fantastic and so irreducible in the atmosphere of the hour that safety had to be found in leaving them unsettled. Apologists for the Treaty, as it finally emerged, bid us be thankful that it was not worse, and it is undoubtedly true that the Frankenstein, who assembled at Paris, were engaged for much of their time in fining down the monster which they or their peoples had collectively created in the last furious months of the war.

The debate on the left bank of the Rhine lasted on and off for five months, and at times came near wrecking the Conference. Foch was stubborn in maintaining that French security demanded that the Rhine should be the future frontier between France and Germany, and that the territory up to it should under one form or another be brought under French rule. To this Wilson and Lloyd George, and finally Clemenceau, replied that to bring millions of Germans under French rule would be in flagrant contradiction to the "Fourteen Points" and as surely sow the seeds of another war as the annexation of Alsace-Lorraine by Germany in 1871. This argument prevailed, but not until Wilson and Lloyd George had promised a joint military guarantee by Great Britain and the United States against "unprovoked aggression" by Germany. On returning to America Wilson found it impossible to persuade Congress to implement this promise and the British Government declined to take it up single-handed. The French accordingly were left under a justifiable sense of grievance. They had yielded what they considered vital in their case on an assurance which their Allies had afterwards repudiated. This was to hand on a legacy of trouble to the subsequent years. French security remained, in the eyes of Frenchmen, an unsolved problem.

The story of Reparations is the unhappiest of all. Experts warned that, except by borrowing, Germany could pay no more year by year than her "exportable surplus," i.e. the balance which remained over after she had paid for her necessary imports, and that this had been a comparatively small sum even in the years of prosperity. Politicians protested that they would be ruined if, after what they had led their peoples to expect, this unpalatable truth were disclosed. A rumour went out that Lloyd George was yielding to this expert advice, and immediately he received a telegram from 200 Members of Parliament which brought him back to the House of Commons to reassure them. A Committee, which included the Governor of the Bank of England and an eminent Judge, certified that the figure of £24,000,000,000 mentioned at the British elections was in fact what the Germans were capable of paying, and the bill of claims was written up to include damage to the civilian population, and finally soldiers' pensions, in the cost of war. General Smuts wrote a peculiarly persuasive Memorandum on the question of pensions which is said to have had great effect in overcoming President Wilson's objections. Finally, an immense unknown liability, the precise amount of which was to be settled in the future by a Reparations Commission, was left hanging over Germany. This was the beginning of mischief which remains unexhausted to this day.¹

3

Two ideas were in conflict from the beginning in the formation of the League of Nations. The French looked at it from the point of view of French security and desired a League which would give permanence to the *status quo* as determined by the war, and associate the neutrals with the victorious "Allies and Associated Nations" in its defence. They wished the new authority to be armed with an "International Police Force" and an "International General Staff." President Wilson desired all nations to be joined in a new order

¹ In 1921 the total was fixed at about £6,000,000,000 (the Paris schedules) and in 1926 it was further reduced to about £2,000,000,000 by the Dawes Committee in 1924, and the Young Committee in 1926. In 1932 at the Lausanne Conference the Allies accepted with unimportant reservations the refusal of Germany to make further payments. See *infra* Cb. LII.

which would as soon as possible extinguish the memories of the war and provide the means of settling future disputes without war. There could unfortunately be no such League with Germany and Russia excluded and the United States declining to come in; and the other nations were not prepared to contribute to an international police force which they feared would be an instrument in French hands.

The ~~at~~ League was, like other parts of the Treaty, the child of circumstance and compromise, but it effected all that was possible on the assumption that the nations would not surrender the principle of national sovereignty into the hands of any international authority. It provided its members for the first time with an assembly for the discussion of their common interests and a Council which had the power to act, provided its members were unanimous—a necessary consequence of the principle of national sovereignty. It put them under pledge to submit all disputes between themselves to arbitration or conciliation, and in no case to resort to arms until three months after an award had been made by the arbitrators or a report made by the Council. It provided that if any member of the League went to war in contravention of these agreements, it should be deemed to have committed an act of war against all other members of the League, and put the other members under an obligation to prevent all financial, commercial or personal intercourse with the offender. The authors of these proposals claimed with justice that, if used, they would have made impossible the rush to arms which preceded the Great War, and hoped that they would be used in future for the keeping of peace while there was yet time. Peace-making thus got a new status in the world.

Much controversy arose in after years as to whether in framing the Covenant the Allies had pledged themselves to disarm as the counterpart of the disarmament which they imposed upon Germany. A legal argument may be constructed to prove that they left themselves free, but there can be no doubt that on any natural reading of the Covenant the Germans and all other nations had the right to expect that they would disarm. Article VIII, which pledges the members of the League not to engage in an unlimited competition in armaments, and directs the Council to formulate plans for their reduction, more than justifies this inference, to say nothing of the concern expressed

in the same article about the international traffic in arms and the evils attending their manufacture by private firms. The universal belief at the time was, as Grey put it, that though Germany was required to lead the way downhill in the reduction of armaments the other nations would follow.

Even at this time there was an uneasy feeling that all these arrangements might break down unless accompanied by provisions for revising the *status quo* as defined in the Paris settlements. Article XIX of the Covenant supplied the machinery for peaceful revision by the League, but there could be no question that to keep what they had got was the thought most in the minds of the nations adhering to the League at this time.

CHAPTER I

PEACE-MAKING AT PARIS (*contd.*)

1919

I

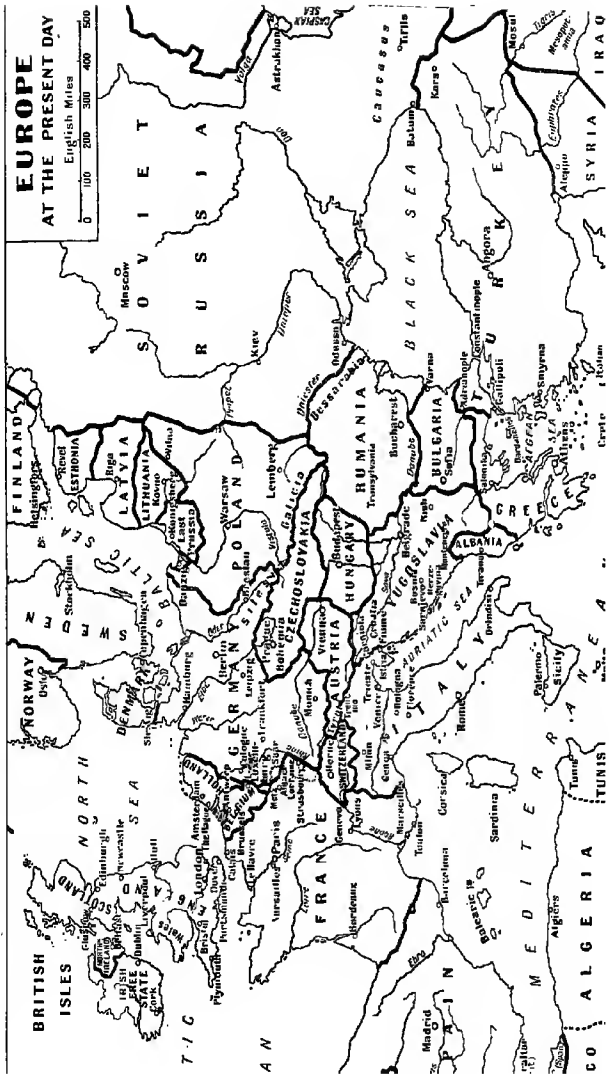
THE settlements which are commonly attributed to the Treaty of Versailles were scattered over a large number of Treaties, the Treaty of St. Germain with Austria, the Treaty of Trianon with Hungary, the Treaty of Neuilly with Bulgaria, the Treaty of Sèvres with Turkey. Most of the boundaries were left to the States concerned to settle for themselves, a process which took several years longer. The Treaty of Sèvres with the Turks was only the beginning of trouble, for it was repudiated by the Turkish Nationalists as soon as they came into power, and by this time the Allies had no stomach for a war to enforce it. The "Mandates" were conferred not by the Peace Conference but by the Allied Ministers who sat as a "Supreme Council" to administer the Treaty after the Conference was over. This authority gave the mandates for Syria and the Lebanon to France, for Palestine and Mesopotamia (now called Iraq) to Great Britain, and distributed the German colonies in Africa, the Far East and the Pacific between Great Britain and the Dominions, France, Belgium and Japan. It also entrusted Poland with a twenty-five-year mandate for Galicia, and awarded Eupen and Malmedy to Belgium.

Under the various Treaties the map was redrawn all over Central and South-east Europe. The new succession States of Czechoslovakia and Yugoslavia came into being and a nominally independent Kingdom was set up in Albania. Italy complained bitterly that she was receiving less than her share and President Wilson's public denunciation of her claim to Fiume came near breaking the Paris Conference. Orlando, the Italian representative, departed in high dudgeon from

EUROPE

AT THE PRESENT DAY

English Miles



Paris, but returned a fortnight later when he perceived that important questions in which Italy had an interest were being settled in his absence. Italy had her way in the German Tyrol and two years later (1921) made a Treaty of her own with Yugoslavia by which she obtained Istria while ceding Dalmatia to the Yugoslavs. Under this arrangement Fiume, after much lawless raiding, was left a nominally independent but practically Italian port.

Under these and similar arrangements the principle of self-determination by which "the interests of the populations concerned" were to "have equal weight with those of the Governments claiming sovereignty over them" had often to give way to practical exigencies. Under the Treaty of Trianon 3,000,000 Magyars were transferred from Hungary to the adjacent nationalities, half going to Rumania and the other half being divided between Czechoslovakia and Yugoslavia. Similarly large numbers of Germans or German-speaking people were incorporated in Czechoslovakia, passed over to Poland and Lithuania, and included in the parts of the Tyrol which fell to Italy. Two years later the southern half of Upper Silesia, a region predominantly German, was awarded to Poland by the League of Nations after a plebiscite which only doubtfully justified that assignment. Denmark, too, in recovering the northern part of Schleswig—a boon which she had not sought and seemed not greatly to welcome—took with it a certain number of Germans; and in obtaining Bessarabia, Rumania acquired a large number of Russian subjects. Between them these examples constituted a minorities problem of great importance.

Austria was left in grievous plight, a mere residuum after the succession States had worked their will on the corpse of the Habsburg Empire, a head without a body, possessing an enormous capital with an illustrious European history and only a little agricultural country behind it. Her way was blocked on every side. The treaty-makers had vetoed her annexation to Germany, but made no provision for her economic life. Hemmed in by new States which immediately proceeded to set up tariff-barriers against her, she quickly became an object of charity and remains a dangerous problem for all her neighbours, great and small. The blindness to economic problems which afflicted the treaty-makers at Paris was in no respect more dangerously

manifested than in their failure to insist on a common economic life for the new nationalities of Central and South-eastern Europe. The "ramshackle Empire" had at least provided that, and the future was to illustrate the old saying that if this Empire did not exist it would be necessary to invent it.

An arrangement which caused great irritation, but is not intrinsically bad, was that of the Polish Corridor. It was necessary to give the Poles access to the sea and that could only be provided through German territory. To give them a way-leave through this territory with access to Danzig as a free port at the end of it was the natural, even the only, solution. If Germany and Poland are friendly it should work without friction or difficulty; if they are not, it may easily be denounced as a ruthless and arbitrary sundering of German territory. In the subsequent years the question has flared up and died down according to the relations of the two Powers, but there is reason to hope that it will not prove to be the seed of mischief that in the early years it was expected to be. For inland States the "corridor" method is of great value and should admit of peaceful development in a civilized Europe.

2

Embalmed in the Treaty (Article 227) is the provision for the trial of the Kaiser:

The Allied and Associated Powers publicly arraign William II of Hohenzollern, formerly German Emperor, for a supreme offence against international morality and the sanctity of treaties.

A special tribunal will be constituted to try the accused, thereby assuring him the guarantees essential to the right of defence. It will be composed of five judges, one appointed by each of the following Powers: namely, the United States of America, Great Britain, France, Italy and Japan.

In its decision the tribunal will be guided by the highest motives of international policy, with a view to vindicating the solemn obligations of international undertakings and the validity of international morality. It will be its duty to fix the punishment which it considers should be imposed.

The Allies and Associated Powers will address a request to the Government of the Netherlands for the surrender to them of the ex-Emperor in order that he may be put on trial.

This is now little more than a historical curiosity, but it was the cause of prolonged controversy at Paris, and raised questions of law which are of intrinsic interest and may still be of importance. Lloyd George had committed himself deeply at the British elections to the trial of the Kaiser; the Commission on Responsibilities appointed in January, 1919, took it very seriously, and it raised in another form the question of the "guilt of Germany." The Americans stood out against this proposal to the last, taking the line that there was no such thing in the eyes of the law as "an offence against international morality and the sanctity of Treaties." In their view the mere use of this language and the assurance which the treaty-makers thought it necessary to give that the tribunal would be guided by the "highest motives of international policy" were an admission that law, in the legal use of the word, did not exist and they considered it both harsh and impolitic to improvise a new kind of justice for this occasion.¹

In spite of the Americans the Allies had their way, so far as the incorporation of these clauses in the Treaty could secure it. But there remained one practical obstacle. The defendant whom they had indicted was not in their hands. He was a refugee in Dutch territory, and the trial could only take place if the Dutch Government were willing to surrender him. The Dutch Government was not willing. The Kaiser's offence, whatever it was, was political, and not one of the Allied Powers had a treaty with Holland for the extradition of a person charged with a political offence. On January 25, 1920, the Supreme Council addressed the Dutch in very high language. They were unable to conceive that the Government of the Netherlands could "regard with less reprobation than themselves the immense responsibility of the former Emperor," and observed that "Holland would not fulfil her international duty if she refused to associate herself with the other nations, as far as her means allow, in undertaking, or at least not hindering, chastisement of the crimes committed." They believed it to be "their duty to insure the execution of Article 227 without allowing themselves to be stopped by arguments, because it is not a question of a public accusation with juridical character as its basis, but an act of high international policy imposed by the universal conscience." The Dutch were unmoved by the "universal conscience."

¹ "What Really Happened at Paris," p. 237.

They replied that if there were in the future an international tribunal competent to judge in cases of acts of war qualified as crimes and submitted to its jurisdiction by statute antedating the acts committed, it would be fit for Holland to associate herself with the new régime, but in the meantime "she had a law and an honourable tradition which did not permit her to deny shelter to the former Emperor."

The allied Governments "could not conceal their surprise" at the absence in this reply of any word of disapproval of the fugitive's crimes, and now reminded the Dutch of the heavy responsibility they would incur if he escaped. To this they replied by telling the Allies in effect to mind their own business and repeating that they would be "committing an act contrary to law and justice and incompatible with the national honour" if in deference to this demand they consented to "abolish the rights which they accord to a fugitive finding himself within the country's territory."

There the matter ended, and by this time the general judgment was that the Dutch had behaved with courage and dignity, and incidentally by so doing extricated the Allies from a serious difficulty. In the sober opinion of all countries, to improvise an appearance of law to cover offences unknown to any existing law was repugnant to legality, and the ex-Kaiser's plight was such that to drag him from inglorious exile into the glare of public martyrdom would have been an act of folly. A year later a Committee of the League of Nations reported to the Assembly that "there is not yet any international penal law recognized by all nations and that if it were possible to refer certain crimes to any jurisdiction, it would be more practical to establish a special Chamber in the Court of International Justice." The definition of a "public crime" has so far eluded both jurists and politicians, but there seems to be general agreement that the public criminal is best left to the judgment of public opinion.

There were other criminals besides the Kaiser. Each of the Allies, except the United States and Japan, had an imposing list of persons whom they wished handed over for trial in their Courts for offences against international law, and the Treaty (Articles 28-30) contains elaborate provisions for this purpose. The Germans took a firm stand on this and resolutely refused to surrender the accused, but promised to try them before their own Supreme Court at Leipzig. By this

time passions had cooled and the Allies were glad to be quit of an embarrassing business. Finally about a dozen were tried before the German court and a few were convicted. In the original list Field-Marshal Hindenburg, afterwards President of the German Republic, figures as a war criminal.

3

In most material respects Germany was stripped to the bone. She lost all her Colonies, was required to surrender her merchant fleet, to make large deliveries in coal, cattle, timber, etc., and to compensate France for the damage done to her coal-mines by giving her a fifteen years' lease of the Saar¹ and property in perpetuity in the coal-mines in that area. Finally, by a provision which created a novel and dangerous principle, the property of her citizens in enemy countries was delivered over to the Governments of these countries in satisfaction of Reparations, and the owners left to recover from their own Government, if they could. This caused great hardship and suffering, even when mitigated by compassionate allowances for favoured cases. A British Minister grimly remarked on reading this part of the Treaty that it notified to all the world that no one from henceforth could afford to lose a war.

The military provisions were of the same pattern. Germany was required to surrender her navy and when her officers sank it on a prearranged signal on approaching Scapa Flow (June 21, 1919) the British Admiralty was quite unjustly suspected of having connived at an act which so happily solved the inconvenient problem of distributing it among the Allies. For her future requirements Germany was limited to six battleships of 10,000 tons, a few light cruisers, destroyers and torpedo boats, and absolutely forbidden to build or maintain submarines. Her army was limited to 100,000 long-service men; she was required to abolish conscription, to surrender all existing munitions, to dismantle her forts and great guns, and to submit to the "demilitarization" of an area extending 50 kilometres east of the Rhine.

¹ At the end of the fifteen years (January, 1935) the Saar was returned to Germany after a plebiscite peacefully conducted under the supervision of the League of Nations.

4

On June 30, 1919, there was a last painful scene in the Hall of Mirrors at Versailles—the very place, where forty-eight years earlier the German Empire had been proclaimed—when the Germans signed the Treaty under threat of an immediate advance into their country if they refused. On no less coercion could they have been induced to consent to its terms, or to put their signature to the admission of their own guilt which the treaty-makers exacted as the final humiliation. That this was passionately believed at the time by the victorious Powers to be a just sentence need not be questioned, but it presumed on a verdict which belongs to history, and to put it into the mouths of their beaten enemy was a refinement from which the proudest of conquerors had hitherto refrained. It was remarked at the time that even a convicted criminal is allowed to protest his innocence.

No greater mistake was made at Paris in 1919 than the insistence on a dictated in preference to a negotiated peace. A Treaty extracting a confession of guilt and signed under duress could never in German eyes possess the sanctity, or even deserve the consideration, which might have been claimed for an instrument that they had voluntarily, however reluctantly, accepted. The exclusion of the Germans was a disastrous mistake if only that it deprived the Paris negotiations of sources of information which were essential, if the peace was to be a workable system as distinguished from a mere assertion of power. Pure ignorance of the actual conditions of Germany and her material resources is still the most charitable explanation of the financial and economic provisions of the Treaty of Versailles, and it could scarcely have survived any serious discussion with the German representatives. For that not only the Germans but the Allies and many millions of their subjects were to pay heavily in the coming years.

5

The chief paradox of the Conference was that, in spite of her great contribution to the victory of the Allies, Russia was an absentee, and owing to the attitude of her Government in hostile relations with her former Allies. This enabled them to re-create an independent Poland, and to constitute Finland, Esthonia, Latvia and Lithuania independent

States, changes which would have been extremely difficult, and some of them impossible, if a victorious Tsarist Russia had been present at the Peace Conferences. Since these new States were composed in the main of non-Russians their constitution was in line with the Wilsonian principle of self-determination and was accepted by Bolshevik Russia in the subsequent years. The same can scarcely be said of the assignment of Bessarabia to Rumania, which thereby acquired a considerable number of Russian subjects whose transfer was strongly objected to by the Soviets.

The same cause affected the settlement with Turkey, of which more will be said in a subsequent chapter. The Allies made a temporary settlement in the so-called Treaty of Sèvres which divided Anatolia into "spheres of influence," and assigned Eastern Thrace, including the Gallipoli Peninsula, to Greece, but this cloaked vital differences between France, Great Britain and Italy, and fell into ruins at the challenge of Turkish Nationalists.

Elsewhere the Treaty showed the victorious Powers divided between an honest desire to carry out their principle of self-determination and their fear of a revival of their late enemy. Except that it would strengthen Germany they had no reasonable ground for forbidding the union of German Austria with the German Reich if the Austrians desired it; except that Italy required the strengthening of her frontier against a possible German attack, they had no justification on the Wilsonian principle for turning 350,000 Tyrolese Germans into Italian subjects. There were strong practical reasons for including the three million Austro-Germans of the old Bohemia in the new Republic of Czechoslovakia, and good strategical reasons for drawing the frontiers of Poland and Hungary in such a way as to include a large number of Magyars from the latter. But in all these instances the Peace was a Peace of Conquest requiring the maintenance of force to uphold it and inviting recovery of force to redress the grievances that it inflicted. This was to make any fair scheme of disarmament by general consent extremely difficult, if not impossible, in the coming years.

6

But when all the details have been examined it remains to be said that the worst vice of the Treaty of Versailles was the spirit in which

it was concluded. That was harsh, vindictive, unsparing. President Wilson is supposed to have persuaded himself that, point by point, it was capable of being reconciled with his "Fourteen Points," but nobody else thought so, and most of his Allies hardly pretended to think so. The maintenance of the blockade after the armistice,¹ the refusal to admit the Germans to the Conference table, the ruthless stripping of their economic resources, the forced signature and compulsory confession of "war-guilt," on looking back all these things seem lamentable aberrations from humanity and good sense. It was urged in excuse at the time that the Germans would have done more and worse if they had won the war, and what was known of their plans and their treatment of the Russians in the Treaty of Brest-Litovsk gave colour to this belief. The truth was that the exasperation and bitterness generated in four and a half years of ruthless war found its vent at Paris, and would probably have done so whichever side had won. Nations could not drench one another with poison gas, throw bombs on defenceless cities, sink ships without trace, and then shake hands and sit down together and consider coolly what is best to do next. The war had abundantly proved Sir Norman Angell's thesis that there is no profit in victory, but the peace proved that defeat is an immeasurable calamity. In one of his last speeches to the Reichstag, Bethmann Hollweg said that he wanted armaments not because he wanted war, but because he wanted to win if there was a war. The necessity of winning a war and therefore piling up armaments, was perhaps the worst lesson of the many taught to the nations at Paris in 1919.

Mere physical exhaustion counted for a good deal at Paris in 1919. The time taken (January 18-June 28) was not too long—it was far too short—for the wise and careful handling of the mass of material presented to the Conference, but it seemed interminable to the millions who were waiting to know the best or the worst, and who after a few weeks were protesting impatiently against the delay. There were months when no solution seemed to be in sight and pessimists talked gloomily of a "Balkan ending" to the victory of the Allies. Towards

¹ It was only removed on the remonstrance of British officers in the Army of Occupation who reported that their men were going short of food, because they insisted on sharing their rations with starving Germans.

the end almost any settlement seemed to be better than no settlement, and conclusions were accepted which tided over the time rather than offered lasting solutions. The Treaty when it appeared was a shock to Liberal opinion everywhere, but by this time the faculty for controversy was exhausted, and its critics consoled themselves with the hope that by the institution of the League of Nations it would, like Ithuriel's spear, heal the wounds that it had inflicted.

Within sixteen years all the economic reparations and disarmament parts of it had gone by the board, and Europe was left with the problem of maintaining the territorial parts in a world which was rapidly re-arming.

CHAPTER LI
THE COALITION PARLIAMENT
1919-22

I

GOVERNMENT and Parliament had an enormous confusion to clear up at the beginning of 1919. A vast army had to be demobilized, industry disengaged from the control of the war period, expenditure cut down, the normal life of home and workshop restored. Soldiers who had imagined that peace would restore them to their homes on the morrow, chafed impatiently at the slow process of demobilization, and quite early in the day gave the Government to understand that, though they had accepted compulsory military service in the stress of war, they would not submit to it in time of peace. Many things had been promised them in the emotions of the hour, "homes fit for heroes to live in," land to till, a new way of life in which the nation would show its gratitude to those who had fought for it, but what they most wanted at the moment was to get back and the delays seemed interminable.

Judged as the firstfruits of the great extension of the franchise granted during the war the new Parliament was an extraordinary paradox. The Liberal party had been all but wiped out and Labour decimated. Some of the men most likely to help in the work which now had to be done were gone and their places taken by a great company of business men, many of them new to politics, who considered it their main duty to support the Government in carrying out the unsparing mandate of the Victory election. A step of great significance was taken on the opening day when the Labour party in virtue of their superior numbers claimed and obtained the allocation of seats which by custom carried with it the title of "regular

Opposition." That was a blow from which the Liberal party never recovered. From this moment the presumption was established that they were a "third party" for which, if a vote were given, it was likely to be a vote wasted. Hence the drift which in the course of years was to reduce the two-party system to a choice between Conservatism and Socialism. That also must be counted among the results of the Victory election.

All the old Parliamentary landmarks seemed to be gone. The Prime Minister, being occupied at Paris, could seldom attend; the wartime habit of conducting Government through little groups of Ministers persisted; the nominal Cabinet seldom met, and it was difficult to say which Ministers could rightly be charged with Cabinet responsibility.¹ The financial situation looked appalling. The Budget of the first peace year (1919-20) showed an expenditure of £1,665,773,000 against a revenue of £1,339,571,000—a deficit of £326,202,000. The National Debt stood at nearly £8,000,000,000; there were 90,000 more officials on the public charge than before the war, and the civil service cost three and a quarter times as much. Judged by any pre-war standards the country was well on the road to ruin. Fortunately the real burden was not so great as these monstrous figures made it appear. Much of it, like the payments on the National Debt, were from one pocket into another, and a great deal of it was the reflection of inflated prices. There was a moment in 1920 when the *Economist's* index number of wholesale prices reached 323 as compared with 100 in 1913, and though there was a rapid run down in prices during the following year, the pound in these years seldom represented more than 14s. by the pre-war standard.

To reduce the burden of the debt before the fall in prices increased its real value seemed an object of high importance, and the project of a capital levy had many supporters. There was much to be said for it if it could have been adopted at once. Profits during the war had been on an enormous scale, not, as was popularly supposed (or not in most cases) as the result of sinister operations, but as the inevitable consequence of soaring prices, and the Government's Excess Profits Tax had failed to keep pace with it. To fall upon these accumulations

¹ Sir Austen Chamberlain discloses in his book "Down the Years" that Lloyd George had seriously thought of governing without a Cabinet.

while they were still in the hands of the profit-makers would have been rough justice, but with every month that passed they were distributed in new investments at home and abroad, and the mechanical difficulty of tracing them and taxing them without serious disturbance to industry increased. In the end the Treasury view, that the proper way of dealing with the debt burden was by conversions at suitable moments, as prices fell, prevailed.

Prices still soared and trade boomed in the first eighteen months after the war and, under the influence of the general though artificial prosperity, the Government postponed retrenchment. The Budget of 1920, which had maintained a large part of the war taxation, showed the enormous surplus of £230,000,000. The whole country had got into the habit of thinking in tens and scores of millions; "reconstruction" was in the air, it seemed mean to grudge a small fraction of what had been spent without a thought in the war for keeping the home fires burning, for providing the country with the more modern equipment it was said to need, for generous treatment of the returning soldier and the numerous civilians who had laboured in Whitehall during the years of the war. New Departments were set up; Labour, Transport, Agriculture, Health, all were provided with separate establishments; a thousand busy brains buzzed with plans for the future. The miraculous discovery seemed to have been made that war created instead of destroyed prosperity.

Before the summer of 1921 this dream had begun to fade. Prices were now falling rapidly and depression closing down on the country. From all quarters the cry now rose for economy. Popular newspapers ran campaigns against "squandermania"; "economy" candidates appeared at by-elections, newspaper magnates wrote powerful articles, bankers and Chambers of Commerce passed strong resolutions against extravagance and cried out for relief from the burden of taxation and the shackles of Government interference. A school of economists preached the doctrine, which seemed a foolish paradox to men of common sense, that in proportion as trade languished and unemployment set in, the State and municipalities should be more and not less lavish in public expenditure. Ratepayers and taxpayers protested that a policy which would increase their burdens would complete the ruin. Everywhere the demand was for cutting

down and the Government, which in spite of its overwhelming majority felt the ground rocking beneath its feet, responded by appointing an economy Committee with the formidable Sir Eric Geddes as chairman to wield the axe on the swollen estimates of the Departments. This worked lustily during the winter of 1921-2, and proposed economies amounting to £86,000,000 of which, as Sir Eric afterwards complained, only £52,000,000 were effected by the Government. The Government replied that this was the utmost possible without bringing the Government machine to a standstill; the taxpayer said that fifty millions was a miserable drop in the ocean of a twelve-hundred-million Budget.

2

The industrial situation was now becoming increasingly difficult. Prices which had been 323 to the pre-war level of 100 at the peak of 1920 were only 60 per cent. above that level at the end of 1921. Industries over-stimulated for war purposes were left with plant and labour which could not be absorbed easily or quickly in productive work in time of peace. In existing world conditions no relief could be expected from the expansion of foreign trade. The immense undefined liability which hung over Germany was paralysing international dealings and her efforts to pay resulting in an abnormal expansion of her exports which, since they were unbalanced by corresponding imports, threatened to derange the whole exchange system of the world. Already the Allied nations were faced with the paradox that Germany (under the stimulus which they themselves were providing) was expanding her industries rapidly and formidably invading all markets, while their industries were languishing and their own people being thrown out of work. But the correct interpretation of these facts had not yet dawned upon the statesmen of Europe, and everywhere they were seen throwing up tariffs to prevent their debtor complying with the impossible demands which they insisted upon maintaining. Left to themselves, the Conservative members of the Coalition would have followed the general example, but the Liberal elements were strong enough to keep British protection within the bounds of the wartime McKenna duties, and for eleven years longer Great Britain was to remain a Free Trade enclave in a Protectionist world.

But in the meantime unemployment had reached the million level, and disputes about wages and conditions were threatening many industries. It was naturally the object of the workers to maintain the high wage-rates of the war years in the subsequent period of declining prices, and if they could only have done this, it would have brought automatically a great advance in their standard of life. But employers protested that the high wages that went with the soaring prices of the war years could not be paid when prices fell, and that the attempt to exact them would ruin industry and create unemployment. The sudden decontrol of the major industries without any sufficient provision for the adjustment of wages to the new conditions inflamed this quarrel, and it was widely believed that employers were preparing a combined assault on wages. In Lancashire their demand for a 30 per cent. reduction led in 1921 to a cotton strike which lasted for six months before it was settled by a compromise, and in the following year there was a three-months' lock-out in the engineering trade. But the most serious of these disputes was in the coal trade, which was now entering upon a long period of depression, and from April to July, 1921, a national strike of miners threatened disaster to all the major industries of the country.

Eighteen months previously the Government had averted a stoppage by appointing a Royal Commission under the chairmanship of Mr. Justice Sankey, which in addition to various recommendations on wages and hours had recommended in a majority report the nationalization of the mines. The miners believed themselves to have received an assurance from the Government that this recommendation would be carried out, and the fact that it had not been and was very unlikely to be carried out by a Government depending on Conservative support, greatly complicated and embittered the dispute of 1921. Questions of hours and wages were now entangled with the political question whether the mines should be nationalized, and the miners believed themselves to be fighting not merely for their own advantage, but for a political object of the first importance. In this they had the support of the Labour party, which was now tending to the adoption of an all-round Socialist policy, and the combination of miners, trade-unionists and Labour politicians on this ground was to play a large part in the course of events which led up to the General

Strike of 1926. In the dispute of 1921 nationalization was evidently past praying for, and peace was made for the time being on a new arrangement for standard wages and a division of the surplus after deduction of the standard wage and costs of production in the proportion of 83 per cent. to wages and 17 per cent. to profits.

3

Russia was a perpetual thorn in the side of the Coalition. When the war ended, the Allies took the place of the Germans in the occupied parts of Russia, and having considerable forces and large stores of munitions and material at their disposal, decided to join up with the expeditions now being organized by the Russian counter-Revolutionaries—"White Russians" as they were called in contradistinction to the Red. The leaders of these, Denikin, in the south, Admiral Koltchak in the east, and Yudenitch preparing to advance on Petrograd, all represented their prospects as most hopeful, and with a sufficient stiffening of French and British troops they seemed to have a good prospect of overthrowing the Bolsheviks, who were still in a raw and unorganized condition. But, just as after the French Revolution the intervention of foreigners rallied France to a patriotic resistance, so now the report that foreigners were coming to restore the fallen dynasty brought large numbers of wavcrers to the side of the Revolutionaries and gave their régime a standing which it had not possessed before.

With the invaders came a miscellaneous company of the former ruling class panting for vengeance and wreaking it in such a way, when they had the chance, as to convince the peasantry that between the two terrors the Red was preferable to the White. Before long all the expeditions were in difficulties, and British opinion was crying out against the sacrifice of life and drain of money in the attempt to impose on the Russian people a régime which they evidently did not want. By the spring of 1920 the struggle was over and the Allies withdrew their forces, but by this time immense numbers of workers had become convinced that their Governments were engaged in a "capitalist" conspiracy to overthrow a Labour régime, and fidelity to Soviet Russia became from this time onwards one of the acid tests of Labour politics.

But a new attack on Russia was now in preparation, and at the end of April, 1920, the Poles took the offensive and advancing with a rush into the plain of the Dnieper captured Kiev. This success was short-lived. Having disposed of Denikin and Koltchak, the Soviet army turned on the Polish invaders, drove them back headlong, and by the beginning of July were threatening Warsaw. The Poles now appealed to the Allies to mediate between them and Russia, but Russia was not in a conciliatory mood, and the Poles had strong backing from the French, who sent a mission under General Weygand to advise the Polish General Staff and help them to rally the country to a fresh effort. While the Russians procrastinated, the Poles under Pilsudski opened a counter-attack (August 14) and drove the Russians out of their territory, and in the next few days recaptured Nowo-Minsk and Brest-Litovsk. The Poles with French backing were now able to reject the terms which the Russians had proposed, and to make the favourable peace concluded at Riga in October.

The British Government endeavoured as far as possible to detach themselves from these affairs, for British Labour insisted on regarding them as part of the "capitalist" conspiracy against Russia, and threatened strikes against the handling of material intended, or under suspicion of being intended, to help the Poles in their campaign. The Poles partly confirmed this suspicion by putting in loud claims to have saved Europe from Bolshevism. Their admirers were heard saying that Pilsudski's victory ranked with the battle of Chalons as one of the decisive battles of the world. British opinion was that the Poles had brought a good deal of their trouble upon themselves, and that the Government had already gone a great deal too far in entangling themselves and spending the taxpayers' money on these remote and unprofitable adventures.

4

In February, 1921, Asquith returned to the House of Commons as member for Paisley after a strenuous election campaign in which he advanced a new and comprehensive Liberal programme covering home and foreign affairs. When he went from his house in Cavendish Square to take his seat in Parliament the streets were lined with cheering and enthusiastic crowds, the like of which had scarcely been seen in London

since Disraeli came back from Berlin bringing "Peace with honour." This demonstration, in which all parties joined, was the spontaneous amend of a generous people to a man whom all respected and who was judged to have been ill requited for his long and honourable service. Asquith took up the leadership of the little Liberal party, popularly known as the "Wee Frees," which till then had been led by Sir Donald Maclean,¹ but he was never at home in a House which seemed to have broken with all the traditions that he revered. Consistent opposition, he observed, was only possible with a more or less consistent Government, and the Coalition by this time seemed to be at the mercy of factions pulling it this way and that, making it progressive and reactionary, die-hard and conciliatory, Protectionist and Free Trade, by fits and starts, and reducing it to an opportunism which defied all judgment by what pre-war politicians regarded as principles. He said bluntly it was the worst House of Commons he had ever known.

He was soon engaged in sharp controversy with the Prime Minister on the Irish question, in which the Government was deeply involved all through the year 1921. He had said boldly in his Paisley campaign that the time had come to go the whole length of Dominion Home Rule in settling with Nationalist Ireland. The opportunity for setting up a subordinate Parliament had been let pass; by their insistence on applying compulsory service in Ireland, the Government had given an immense impetus to the Sinn Fein movement, and further delay would only plunge Ireland deeper into strife and bloodshed. There were loud cries of protest in which not a few Liberals joined; the Prime Minister said firmly that the Government would yield no inch beyond their own plan of subordinate Parliaments for South Ireland and Ulster respectively.

Southern Ireland was by this time in a state of rebellion. It had declined the Home Rule Act of 1920, and by a curious irony the North was left single-handed to establish the system which it had so long and so stubbornly resisted. In Southern Ireland the Sinn Fein Assembly, Dail Eireann, usurped the functions of government and established law courts of its own which replaced the King's Courts.

¹ Afterwards Minister of Education in the National Government. His early death in 1932 cut short a promising career.

The Sinn Féiners and secret societies, meanwhile, engaged in a campaign of murder and outrage which baffled the Government and defeated all ordinary police and military measures. The rebels stopped at nothing in their cruel fanaticism. In November, 1920, fourteen officers suspected of being engaged in Intelligence work were shot in cold blood in Dublin and the assassins remained undiscovered. Police caught in ambushes were killed without mercy. Houses were burnt, loyalists kidnapped. The provocation was great, and finding ordinary police methods useless and shrinking from the formidable and costly methods which the military recommended, the Government made the serious mistake of endeavouring to meet it by a counter-terrorism. For that purpose they enlisted a special kind of police 7,000 strong, from recently demobilized officers and men, and sent them to Ireland with a free hand to deal with the rebels.

These "Black and Tans," as they were called from their dark caps and khaki uniforms, were soon engaged in a desperate struggle in which the law was as little respected by one side as by the other. When any of their own men were murdered, they "beat up" suspects and wreaked vengeance without waiting for magistrates or courts. The results shocked the English public and scandalized foreigners who were not yet familiar with the ways of dictators, or accustomed to learn that prisoners were "shot in endeavouring to escape." Ministers being deeply divided among themselves, and unable to avow what was evidently being practised, took refuge in prevarications which increased the general anger and suspicion. Asquith was loud in denunciation; Grey said that the law was being dragged down to the level of the criminal; the Archbishop of Canterbury protested against Satan being cast out by Beelzebub. Lloyd George claimed in his Guildhall speech of November 9, 1920, to "have murder by the throat," but it was clear by this time that these methods could not go on. The British people might authorize a reconquest of Ireland by regular military means, but they would not tolerate a murderous mêlée of rebels and Black and Tans.

5

At the beginning of 1921 a new method was tried, that of "authorized reprisals" by the military who made sallies to burn

cottages on the day after an outrage. But this led merely to a competition in house-burning in which the rebels burnt mansions, when the soldiers burnt cottages. Murders continued and the country was no nearer being pacified. Before the summer ended the Government had grimly to face the alternatives of a settlement with the rebels or a regular military expedition, something like 100,000 strong, to conquer and hold the country down. The necessity of making this choice all but broke the Government and caused a deep schism among its supporters. There was long wrestling in the Cabinet, but in the end it was agreed to negotiate for a settlement on the condition that the rebels accepted the Imperial connexion and allegiance to the Crown. Such a settlement could not be less than Dominion Home Rule, which a few months earlier Ministers had bluntly refused and even denounced as "madness."

In May, 1921, Sir James Craig, former leader of the Ulster Covenanters and now Prime Minister of Northern Ireland, got into touch with de Valera but found him quite impracticable. The negotiations would probably have been broken off at that point but for the speech which the King made at the opening of the Parliament in North Ireland :

The eyes of the whole Empire [said the King with evident emotion] are on Ireland to-day—that Empire in which so many nations and races have come together in spite of ancient feuds, and in which new nations have come to birth within the lifetime of the youngest in this hall. I am emboldened by that thought to look beyond the sorrow and the anxiety which have clouded of late my vision of Irish affairs. I speak from a full heart when I pray that my coming to Ireland to-day may prove to be the first step towards an end of strife amongst her people, whatever their race or creed.

In that hope I appeal to all Irishmen to pause, to stretch out the hand of forbearance and conciliation, to forgive and to forget, and to join in making for the land which they love a new era of peace, contentment and goodwill. It is my earnest desire that in Southern Ireland too there may ere long take place a parallel to what is now passing in this hall ; that there a similar occasion may present itself and a similar ceremony be performed.

For this the Parliament of the United Kingdom has in the fullest measure provided the powers ; for this the Parliament of Ulster is pointing the way. The future lies in the hands of my Irish people themselves. May this historic gathering be the prelude of a day in which the Irish people, North and South,

under one Parliament or two, as those Parliaments themselves may decide, shall work together in common love for Ireland upon the sure foundation of mutual justice and respect.

Not for the first time in Irish affairs King George intervened with powerful effect when the situation seemed past mending by the ordinary political expedients. A fortnight later a truce was proclaimed and negotiations were reopened in London. Once more de Valera proved impracticable and unintelligible. He accepted the invitation to negotiate while repudiating the conditions on which it was issued. Ireland, he said, had "formally declared its independence and recognized itself as a Sovereign State." There were fortunately others behind him who were less unyielding, especially Arthur Griffith and Michael Collins, who came to London and sat in conference with a Committee of the Cabinet.

6

For the next six or seven weeks everything hung in the balance. Behind the Irish negotiators were secret societies and wild men vowing that they would die a thousand deaths rather than yield an inch of the full claim to national independence. Behind the British was a suspicious and anxious party, the great majority of whom had been lifelong opponents of even moderate Home Rule, and a large number of whom wished the Government to go all lengths at all costs in suppressing the rebels. Up to a comparatively recent moment the Prime Minister himself had seemed to be of the die-hard persuasion, and he had used language which his Conservative supporters had interpreted as committing the Government beyond retreat. There was a tempting opportunity here for an ambitious Minister to break away and rally the Conservative party in the name of its Unionist principles against the Government. To their credit be it said, the most influential of the Unionist leaders, and especially Austen Chamberlain and Lord Birkenhead, played a strong and courageous part. Birkenhead, who had been one of Carson's "gallopers" in the days of the Ulster Covenant, seemed to have a natural faculty for hitting it off with rebels, and proved especially helpful and understanding in dealing with the rebels of the South. There were tense moments before the

end, and the Irish only yielded at the last moment to a blunt intimation that, if they did not, a sterner kind of war than they had yet experienced would follow.

The Treaty, signed on December 6, 1921, gave Ireland the constitutional status of a Dominion which carried with it complete fiscal autonomy and the right within certain limits to maintain an army. It secured the right of Northern Ireland to retain its own form of autonomy under the Act of 1920, and provided for a financial settlement by agreement or arbitration covering among other things, the payment of the land annuities due to Great Britain for loans raised in previous years for the buying out of landlords. This was signed by all the Irish delegates,¹ but during all these weeks de Valera, the "President of the Irish Republic," had remained in Ireland and he immediately made it known that he was no party to, and would resist the conclusions arrived at in London. A bitter debate in the Sinn Féin Parliament ended on January 8, 1922, in the acceptance of the Treaty by 64 votes to 57, and the British people, being by this time exhausted and wearied with the controversy, looked the other way and left Ireland to settle her own problems. In Ireland the New Year opened with armed bands of extremists moving uncontrolled, levying toll on banks, commandeering motor-cars and vowing that they would stop at nothing to smash the Treaty and renew the war with England. The struggle was now between the moderate and the extreme Sinn Féiners, and it was prolonged for many months and fought with great intensity on both sides. In August, 1922, Arthur Griffith died suddenly, and ten days later Michael Collins was caught in ambush and shot. In September, Mr. Cosgrave was elected President of the Irish Free State, and by degrees the lawful Government won the mastery, but not before it had been driven to try its opponents by court-martial, and to execute several of them, including Erskine Childers, a gifted Englishman, who after distinguished service in the war had been drawn

¹ Mr. Arthur Griffith, founder of Sinn Féin; Mr. Michael Collins, Finance Minister of Dail Eireann; Mr. R. C. Barton and Mr. G. Gavan Duffy. Associated with these as Secretary was Mr. Erskine Childers. The British representatives were the Prime Minister, Mr. Austen Chamberlain, Lord Birkenhead, Sir Gordon Hewart, Sir L. Worthington Evans and Sir Hamar Greenwood.

into the Irish maelstrom and was supposed at this time to be the principal influence in urging de Valera to extreme courses.

Then for a period of nearly ten years under the sensible and moderate rule of Cosgrave, Ireland enjoyed a spell of comparative quiet and recovery. Friction arose and continued for three years over the stubborn question of the Ulster boundary, but that too was settled amicably in 1925.

CHAPTER LII

REPARATIONS AND THE RUHR

1920-3

I

HARSH as the Treaty of Versailles seemed to the Germans, it was far from giving satisfaction to the Allied and associated nations. On returning to America President Wilson was at once confronted with formidable opposition in the Senate, a two-thirds majority of which was required to ratify the Treaty. The view of his critics was not that the Treaty was too severe on the late enemy, but that adhesion to the Covenant of the League of Nations would compromise the long American tradition of aloofness from the quarrels of Europe. The President was not in a conciliatory mood and he endeavoured to counter this opposition by a whirlwind campaign through the country. This overtaxed his strength and at Wichita in Kansas he found himself compelled to give up his tour and return to Washington, where he had a complete nervous breakdown. Even then he might have saved the Treaty by a few concessions which the European Allies were only too willing that he should make, but by this time sickness had added to his natural obstinacy and he would neither consent himself, nor permit his supporters to consent, to changes which he regarded as defacing the perfect work of the Covenant. In the end the Treaty received 57 votes against 37 in the Senate, but this fell short by six of the requisite "two-thirds" majority and, having thus abjured both Covenant and Treaty, the United States proceeded to make a Treaty of its own with the former enemy. The Tripartite Agreement by which the United States pledged itself jointly with Great Britain to come to the assistance of France in the event of an unprovoked attack on her, suffered the same fate as the Treaty and, as already stated, Britain declined to take up the guarantee alone.

This removed one of the foundations of the Versailles structure and left French and British in the state of mutual misunderstanding which clouded their relations for the next six years. The French said bluntly that they had been betrayed. They had given up the frontier which they deemed essential to their security on the promise of a guarantee which had now been repudiated. British and French opinion rapidly fell apart from this point. The British, having worked off their passions, were thinking more indulgently of the Germans. Their economic sense told them that not only was the recovery of Reparations on the scale imagined in 1918 and 1919 an impossibility, but that the attempt to recover them on anything like this scale would be extremely damaging to the creditor nations. The argument which Maynard Keynes had put so brilliantly in his "Economic Consequences of the Peace" in the previous year began to look like common sense in the cooler atmosphere of 1920 and 1921. But this merely aggravated the offence of the British in French eyes. France, devastated and bleeding, stood in urgent need of German money to repair the havoc which the Germans had wrought. Britain, aloof and unscathed, was pleading her trade interests to bar the recovery of this just debt. France, deprived of the Rhine frontier and denied the protection of her friends, saw herself in imminent danger of a war of revenge if the Germans were allowed to recover; the British were actually beginning to say that the recovery of their German customer was a thing to be desired. So like the nation of shopkeepers!

2

The French concluded that one way of safety, and only one, remained to them. They were on the Rhine and would remain there until Reparations were paid and, failing payment, they would have legal justification for prolonging their occupation *sine die*. This would secure them for at least fifteen years, the period of occupation laid down in the Treaty, and in the meantime security must be sought by other Alliances or groupings of the Powers to take the place of the British-American guarantee.

In French eyes, logic, justice and necessity seemed equally to commend this policy, and the French Chamber was all but unanimous in imposing it on French Ministers. But it caused incessant friction

with British Governments, which were very reluctant to prolong the occupation of the Rhineland, and thought it an imperative necessity to clear up the economic situation by scaling down the Reparation demands to a reasonable level. The French were genuinely alarmed at the prospect of having to pay themselves for the repair of the territory which the Germans had ravaged. The British saw trade blocked, unemployment mounting up and no prospect of a return to prosperity so long as an unreasonable demand was kept hanging over the Germans. The French pointed to their devastated areas; Lloyd George replied by pointing to the British unemployment and saying dramatically "these are *our* devastated areas."

All these issues were either fought out or smouldered in the minds of both parties in the Conferences of the next few years. At Spa (July 5-16, 1920) the Allies decided on the proportions in which they would divide reparations when recovered but left the amounts undecided, and threatened the Germans with "military sanctions" for failure to fulfil the disarmament and coal delivery clauses of the Treaty. On the whole the French view still prevailed, France obtaining an allotment of 52 per cent. of what might be recovered, against the 32 per cent. allotted to the British Empire, the 10 per cent. to Italy, the 8 per cent. to Belgium, and the remainder to the other Allies. In the next year (1921) a Conference in London at last fixed the total to be demanded from Germany, and put it at the seemingly moderate figure of £6,000,000,000 (Paris schedules). British economists still said that this was at least three times as much as the Germans could pay, but the French insisted that it was the absolute minimum and that they would accept nothing less.

Other misunderstandings followed. At the Washington Disarmament Conference in 1921, M. Briand took deep offence at what he considered to be the deliberate slight put upon him by British and Americans. He had risked his political life as Prime Minister by leaving the French Chamber at a critical moment in his fortunes, and British and Americans left him silent and unnoticed in his hotel while they debated naval armaments, and then presented him with a decision about which he had not been consulted. Losing patience he demanded a Plenary Session and delivered a speech in which he declared every German adult male and every German factory to be

a menace to his country, and declined to promise the reduction of a single French battalion. This was fatal to any hope there may have been of extending the Conference from naval to land armaments, and left the Americans thanking God for the three thousand miles of stormy ocean which separated them from a continent seamed and chasmed by these unappeasable feuds.

The Washington Conference had the useful result of suspending the construction of battleships (except for replacements) for a minimum period of ten years, and limiting the tonnage in these to 500,000 tons for Great Britain and the United States, 300,000 for Japan and 175,000 for France and Italy (the 5 : 5 : 3 : ratio). This averted what might otherwise have been a costly and fruitless competition between Great Britain and the United States, but it left the French in ill-humour, and they retaliated by refusing to listen to the British proposal for the abolition of submarines and blocking any satisfactory settlement of the question of auxiliary cruisers. Their attitude was also fatal to any extension of the Conference to land armaments, and extinguished the hope which President Harding had held out of an economic conference, in which his country would participate, to follow the Disarmament Conference. Incidentally the Washington Conference wound up the British-Japanese Alliance and substituted the so-called Four Power and Nine Power Treaties to regulate affairs in the Far East. As compensation to the Japanese, the other Powers pledged themselves not to fortify advanced bases in the Pacific—an act of abrogation which, as they discovered in 1932, made it all but impossible for them to apply "sanctions" to Japan.

The net result of these proceedings was to confirm the Americans in their resolve to stand aloof from Europe, and the French in their belief that there was an Anglo-Saxon conspiracy against them. On returning to France M. Briand was fiercely attacked for having let himself be outwitted at Washington, and during the next twelve months he had to reckon with a hostile band of critics keenly on the watch lest he should give anything away in his encounters with the British Prime Minister. In French eyes Mr. Lloyd George seemed to possess uncanny hypnotic powers which paralysed his opponents, as birds before a serpent, and he was supposed to be exercising them to deprive France of the fruits of her victory.

The quarrel came to its climax at the Cannes Conference (January 6-13, 1922) to which Lloyd George and Briand went together with (it was supposed) a prearranged plan for ending it by the concession of the British guarantee, in spite of the American refusal to take part. The world was informed that the period of misunderstanding was to be brought to a close by this generous British gesture. What followed may be described in the words of an American correspondent :

Then, suddenly, disaster without limit came. And it came as an immediate consequence of one of the most grotesque episodes in all diplomatic history. In the genial sun of the Riviera, Lloyd George persuaded Briand to try the fascination of golf. Paris newspapers promptly contained reports and presented pictures of the French Premier essaying with not too much grace to play the game which was the chosen pastime of the British Prime Minister. Briand was pictured and described in his attitude of becoming attention while the adroit Welshman gave him first instruction. "

And irrationally, but instantly, Paris, France generally, rebelled. Lloyd George was the enemy. Briand had but yesterday been the victim of the present guest of Cannes. French prestige and popularity in America had been destroyed by the skill and the chicane of the British statesman who was now leading Briand, not down the primrose path, perhaps, but certainly across the slippery greens.

Without warning there came from Paris alarming messages. A split in the French Cabinet had developed. . . . Briand abandoned the sunny trees and hastened to Paris. By a brief Cabinet meeting he seemed to have succeeded in restoring unity. In a speech in the Chamber he apparently reasserted his mastery of that tumultuous body.

But in fact it was too late. Emerging from the session in which his eloquence appeared irresistible, Briand suddenly resigned. For a moment it was believed that a new Briand Cabinet would be formed. But Millerand, President of the Republic, sent for Poincaré. All had been planned in advance. Poincaré accepted, the Chamber rallied to the former President. His majority exceeded that of Briand's a few days before.¹

3

So far for British and French relations. What, in the meantime, had been happening in Germany :

¹ "How Europe made Peace without America," by Frank Symonds (p. 203)—a book which contains an admirable survey of this period by an independent American observer.

We search history in vain for a parallel to a disaster so swift and complete falling upon a great civilized nation as that which overtook the German people in 1918. In 1917 they had made a ruthless conqueror's peace with Russia, and far on into 1918 they had continued to believe that victory was theirs. Then came collapse, sudden and irretrievable, followed by the ignominious flight of the Kaiser and the clean sweep of the old régime. The glorious victories, celebrated at short intervals all through the previous four years, the incredible deeds of valour, the two million dead, the three million wounded, all in a moment counted for nothing. In after years the military class evolved the theory that they had been stabbed in the back by civilian traitors and agitators, but we have their own testimony that their military situation was hopeless before the domestic agitation set in. By July, 1918, the interminable war of exhaustion had been prolonged to the point at which the dwindling military reserves of the Central Powers found themselves matched against the increasing strength of the Allies. This was the position which was gradually disclosed in the late summer and autumn of 1918, and it came as a shattering disillusion to a people which had counted confidently on a very different result. Their military effort had been stupendous, their valour heroic and this was their reward. Inevitably there was agitation and discontent against a régime which had landed them in this plight.

The Revolution which followed threatened to throw the whole country into chaos, but Ebert, the saddler, leader of the moderate Socialists who took over from Prince Max of Baden, the last Chancellor of the old régime, on November 9, 1918, struggled gallantly to maintain the moderate elements against Spartacists and Communists during the next few months, and succeeded in getting the new Republican Weimar Constitution adopted in August of the following year. Ebert's position during these months had been one of extreme difficulty. Socialist though he was, he had been obliged to employ the old army in repressing the extremer Socialists, and the ruthless measures taken by Noske, his Minister for Defence, including the murder, apparently by their escort, of Liebknecht and Rosa Luxemburg, had greatly embittered feeling. All the time he was being hard pressed by the Allies, and the survivors of the old régime were merciless in piling on him and the little group of moderates and centrists who

rallied to him all the odium of the submissions which followed from their defeat. The necessity of signing the Treaty of Versailles shook the Government to its foundations, and Erzberger, the leader of the Centre party, and Rathenau, the famous industrialist and philosophic writer, who had rallied to it and taken office under it, were both assassinated in the next three years. In January, 1920, came the "Kapp Putsch," a monarchist effort on the part of certain officers of the old army led by Ludendorff to upset the newly established Republic, in which the afterwards-famous Herr Hitler took part. This fizzled out partly because the workers rallied to Ebert, but still more because the responsible leaders of the old army appear to have decided that their time was not yet. They stepped in to save Ludendorff's life but otherwise left justice to run its course. Though it defeated its enemies the Ebert régime suffered a considerable blow to its prestige in this affair, and was not easily forgiven for having transferred the Government from Berlin to Dresden in what its enemies said was a quite unnecessary access of panic.

4

But the heaviest load of all was that placed upon it by the Allies. They had maintained the blockade for months after the armistice and added starvation to the other troubles with which the new order had to deal. Then came the Treaty with its fearful penalties and the forced confession of guilt for events of which the new rulers least of all considered themselves guilty. They and a great multitude of the German people had supposed that, having rid themselves of the braggarts and blunderers of the old régime, they would have appeased the victorious democracies and been able to reap the full benefits of Mr. Wilson's principles. The awakening from this dream spread wrath and consternation through the whole country, and gave the deposed militarists the opportunity of renewing their propaganda. Could there be better proof, they asked, that nations were respected only as they were strong and that Germany would retrieve these humiliations only as she recovered her military power?

Socialists and moderates resisted a conclusion so dangerous to themselves and so likely to bring down further wrath from the late enemy. But already Germany was divided into the two camps which were

to be in open or veiled war with one another for the next twelve years. On the one side were the moderate Socialists and members of the Centre party standing for the policy of Treaty fulfilment as the least of evils in the very evil circumstances ; on the other, the parties of the right, including most of the officers of the old army, declaring "fulfilment" to be treason and its advocates "traitors." The advice of the irreconcilables was to "bite on granite," to do the minimum necessary to keep the Allies at bay, to evade or circumvent the rest and to wait for their time, which would surely come. So far as they could, they acted up to their faith and put all possible obstacles in the way of the Disarmament Commission which was at work in Germany on behalf of the Allies.

Equally opposed to the policy of "fulfilment" were the great industrialists, many of whom, especially in Westphalia under the famous Hugo Stinnes, were making large fortunes and exporting freely with the aid of the depreciated mark. Germany during the next few years presented the curious paradox of great prosperity combined with heavy distress. The falling mark was working the ruin of her official and middle class, while her heavy industries and many of her manufactures were expanding enormously under the combined influence of a depreciated currency and the demand of the Allies for Reparations, which acted as a forced draught on her export trade. The world seemed in a conspiracy to lend to Germany during her darkest period. The rate of interest was constantly rising, the security looked good, the country was unravaged, the population industrious. Money poured in from America, from England, even from France, the lenders displaying the serene impartiality of international capitalists where rates of interest were high and large profits seemed to be within reach. Industrialists borrowed to erect new factories, municipalities to provide baths, public buildings, even, it was said, opera houses and museums.

Some of these stories were fantasies, but there was enough truth in them to exasperate the French, who saw the activity and the expenditure but failed to see that their own demand for reparations, which could only be met by an abnormal expansion of German trade, was the main cause of it. The whole German structure was in fact perilous and artificial and doomed to collapse when the stream of foreign loans

dried up, but the French saw only the outward signs and were filled with a bitterness which found vent in their administration of the occupied areas, the employment of black troops, the imposition of harsh regulations, the refusal to let the Germans send their army into the "demilitarized" area of the Ruhr, where at one time a "Red army" said to be 50,000 strong was conducting regular operations, the foolish but sinister effort to set up a so-called independent, but in reality French-controlled, State in the Palatinate. All this widened the breach between France and Germany and sunk deep into the German mind.

The Governments of Fehrenbach and Wirth stumbled on in this sea of trouble, seeking coalitions and combinations to save them alternately from threats to the left and threats to the right, and making as their main policy the reduction of reparations which the French steadily refused.

5

Such was the state of Germany when Poincaré appeared on the French scene as Prime Minister in succession to Briand in January, 1922. Poincaré was chosen mainly on the ground that he could be trusted to take a firm line with both Germans and British. There would be no more conferences at which innocent French statesmen would be outwitted by the British wizard and Germans treated with sentimental indulgence. It had been agreed that Cannes should be followed by a great economic conference at Genoa at which Germany should be treated as an equal, and the boycott raised against Soviet Russia. Poincaré was obliged to consent to its being held but he did not attend, and the worst French suspicions seemed to be justified when Germans and Russians seized the occasion to make a separate Treaty of their own at the neighbouring town of Rapallo. Everything that they had predicted about the danger of bringing these two together and treating them as equals seemed now to be justified, and the French saw looming in the future the alliance of the two "Pariah Powers" which they had feared from the beginning.

The economic experts at Genoa prepared elaborate and valuable reports, and Lloyd George anticipated the future by suggesting a general pact of non-aggression. But all foundered either on French

suspicions or Russian obstinacy on the subject of foreign-owned property, or debts due to foreigners in Russia. The Conference was quietly wound up by the expedient of remitting its agenda to a commission of experts which met at The Hague in the following summer to explore the Russian situation, but found itself helpless between French and Belgian demands and Russian refusal to meet them.

The way was now cleared for Poincaré and his policy of thoroughness. He had behind him the prestige of his seven years' Presidency of the Republic, and having been in retirement since his resignation of that office in 1920, he was beyond suspicion of any entanglement with the British Government. He had expressed himself openly about the weaknesses which he had perceived in Clemenceau's conduct of the peace negotiations, and could be trusted to deal trenchantly with the British sentimentality which would spare the Germans. Week by week in a series of Sunday speeches he proceeded to arouse his countrymen to the necessity of firm and stern action if the Germans proved deaf to verbal remonstrances. His argument was legally watertight. The Treaty of Versailles was the law of Europe and it required the Germans to pay. Either they could pay and wouldn't, in which case sanctions must be applied to them; or they couldn't pay, in which case France was entitled to get compensation by occupying their territory, he seemed to say, indefinitely. The British commented that he was seeking to justify an eternal occupation on the non-fulfilment of an impossible demand, and this was undoubtedly in the minds of the forward school of French politicians who saw an opportunity of restoring the Foch plan of the Rhine frontier in the failure of reparations. It is doubtful if Poincaré looked beyond the legal argument, the perfection and irrefutability of which were his special pride.

In a few weeks he had placed himself in a position from which retreat was impossible, unless the Germans gave way. They did not give way; they continued to protest that £6,000,000,000, at which the amount due had now been fixed, was beyond their capacity to pay, and that until the total was agreed at a more moderate figure they were bound to be in default and, if that were a ground for sanctions, eternally at the mercy of the French. In 1922 they paid (mainly with borrowed money) the first instalment of the milliard gold marks legally due that year, but in December they announced that the utmost

they would be able to pay in the following April was 200 million gold marks (about £20,000,000) and at the end of the month the Reparations Commission, with the British member dissenting, declared them in default on the timber deliveries under the Treaty. Poincaré now claimed that the case for action was complete. Nothing, he said, remained but to fetch the money from "where it really was," that is in the rich industrial districts where German coal-owners, ironmasters and capitalists were making large profits while France starved. In this he claimed the support of the British who very reluctantly in the previous year had consented to the advance of French troops to Dusseldorf, Ruport and Duisberg, as a beginning of pressure. Now he would extend these operations to the occupation of the whole Ruhr district, take what he called "productive pledges," and stand over the Germans while they delivered their profits, for the satisfaction of French claims. Here the British stood, and Bonar Law, who had by this time succeeded Lloyd George as Prime Minister, was polite but firm in refusing to take any part in these proceedings. Early in January he visited Paris for another Allied Conference and made a last effort to dissuade Poincaré, but without success.

6

Though it anticipates a strict chronology, the story must be carried on to its conclusion. On January 11, 1923, the French marched into the Ruhr, demanding their money. Apparently they believed that the Germans would continue at work and hand over the proceeds of their industry on the silent pressure of a token occupation. The Germans did nothing of the kind. They met the invaders with a passive resistance which soon had all Germany behind it. Coercion proved useless. Many thousands, including the Directors of Krupp's and Thyssen's, were arrested and heavily fined, many thousands more were imprisoned and 140,000 men, women and children were deported at a few hours' notice. A hundred Germans and a score of French and Belgians were killed. But nothing could induce German employers and workers to work for the French; and the French could not work these German industries themselves with the slightest prospect of making a profit out of them. Before they appeared on the scene the Germans had removed all their books and buried all clues to their

intricate system of production and transport. High recriminations again set in between British and French, and Curzon, who remained Foreign Secretary after the succession of Baldwin as Prime Minister, exhausted his considerable talent for remonstrance and rebuke in a vain effort to make Poincaré see sense as the British saw it.

So it dragged on till September, 1923, when the Germans, being at the end of their resources, withdrew passive resistance with a promise to make proposals, which never came. Poincaré had no idea what to do next and when the military asked for instructions he replied, do nothing. For this he was bitterly reproached then and later by French extremists, who wished the occasion seized for a permanent military occupation, enforced by conquest if it were necessary. They pointed out that he had made a perfect legal case for doing precisely this and wanted to know why he held back. There were a hundred good reasons known to statesmen, but the plain truth was that the perfect lawyer shrank from this adventure, and short of it there was nothing to do but return by the way he came.

By this time French and Germans had done one another irreparable mischief. Whatever might have been the truth at the beginning, it was now evident to the most sceptical that the Germans could not pay. Not only had they lost a year's revenue from their richest industrial district, but they had poured out whatever money they had in maintaining the passively resisting population in the nine months of their struggle. The effort had wrecked their currency and plunged the whole country into appalling misery and confusion. As the mark fell the printing press laboured in vain to keep pace with it. Prices soared while customers waited in the shops; millions of marks were required to buy a pound of butter in Berlin. Fortunes and savings accumulated by laborious efforts over years vanished in a night.

Nor were the French in much better plight. They had now to face the fact that the money spent lavishly and even recklessly in repairing their devastated areas would have to be found out of their own pockets, and Poincaré himself had to disclose the situation, with the result that he was thrown from office at the elections of May, 1924.

The Americans reappeared on the scene at this moment with the suggestion that the whole Reparations question should be submitted to a committee of experts. The Germans accepted this and gave

Herriot, Poincaré's successor, a reasonable pretext for evacuating the Ruhr. The Dawes, and afterwards the Young, Committee revised the claim on Germany downwards to about £2,000,000,000 which seemed a reasonable—the French said a preposterously lenient—figure, but even this left out of account the problem of transferring from Germany to her creditors through the ordinary channels of trade the £100,000,000 or £120,000,000 annuities and sinking fund which this total required. It was this transfer problem, and not the inability of Germany to raise this money by internal taxation, which was finally to make an end of the effort to extract payment after persistence in it had come near wrecking the whole currency and exchange system of the world.

The French, meanwhile, were plunged into a dangerous and prolonged financial crisis. Herriot had not the power behind him to enable him to impose the drastic economies and heavy taxation necessary to square the national accounts, if they were to pay what they had hitherto set down to German account. Various expedients tided over the next eighteen months, but before the end of 1925 it seemed as if the franc were doomed to fall into the same abyss as the German mark. Once more there was a call for Poincaré as the necessary man, and he was drawn from his retirement and invested for the time being with the powers of a financial dictator. Here he was in his element and by a heroic effort largely redeemed the character that he had lost in the Ruhr. "Poincaré le Ruhr" now again became Poincaré the saviour of his country and the franc was stabilized at 125 to the pound sterling. His countrymen were grateful, but reflecting on the enormous depreciation of capital values which this figure represented and the crushing burden of taxation which was now laid upon them, they said that the fruits of victory were very bitter.

CHAPTER LIII

THE DOWNFALL OF THE COALITION

1922

I

WHAT, in the meantime, had been happening in Great Britain ? For the greater part of the life of the 1918 Parliament the Prime Minister was immersed in foreign affairs. He engaged in conference after conference and all were said to be completely successful, but nothing of importance seemed to have resulted, and Europe was still slipping farther into the slough of bankruptcy and unemployment. In spite of its enormous majority the Government was often in trouble. There was loud murmuring against the cost of the Russian expeditions, which ran up to a hundred millions, and scarcely less at the outpouring of money for the pacifying and organizing of Mesopotamia for which Great Britain had accepted the mandate. But of all the difficulties and embarrassments of these times none in the end proved more dangerous to the Government than those which were developing between Turkey, Greece and the Powers.

The plain truth, as has already been said, was that the defeat of Russia had left the Allies without any policy for dealing with Turkey. Up to the time of Russia's exit from the war, it had been assumed that, in the event of an Allied victory, Constantinople and the Straits would fall to her in accordance with the secret Treaty for which she had stipulated at the beginning of the war, and that she would do all that was necessary to establish this new order. The problem of Turkey in defeat, with Russia out of action, was one to which no serious thought had been given, and the Allies were soon at sixes and sevens about it. For a time the idea of dividing Turkish territory into "mandates," of which the United States was to take one, held the field and there

were moments when a plan for founding a national home for Armenians under American protection seemed to appeal to President Wilson. But American ardour for European adventures cooled very rapidly in the last months of 1919, and the Allies could think of nothing better than the Treaty of Sèvres with its internationalizing of the Straits, and its spheres of influence for France, Italy and Greece in the Turkish homelands of Anatolia. This, and especially the part assigned to Greece, inflamed Turkish nationalism and gave its formidable leader, Kemal Pasha, the opportunity he was seeking of rallying his countrymen to a patriotic resistance.

2

There are few more complicated stories than that of the relations between the Greeks and the Allies in these years. Early in the war the Greeks had offered to undertake an expedition up the Dardanelles, but the Tsar had placed his veto on that. That they could not trust the Greeks, even when they brought gifts, was still the belief of the rulers of Russia. During the next three years the Greek people had been torn between their pro-Ally and pro-German factions, the former led by Venizelos, the latter (with some qualifications) by King Constantine. But in July, 1918, they had so far made their choice as to join with all their forces in the final Macedonian offensive which led to the capitulation of Bulgaria. In May, 1919, at the height of the quarrel between President Wilson and the Italians about Fiume, the Allies authorized them to occupy Smyrna for the ostensible purpose of protecting the Greek population in that city, but with the real object, as was suspected at the time, of forestalling an Italian occupation. Scenes of fire and slaughter followed their landing which rekindled all the animosities of Greek and Turk and powerfully helped the Nationalist leader, Kemal Pasha, in the challenge which he was now throwing to the authorized Government of the Sultan at Constantinople which had accepted the Treaty of Sèvres.

Under this Treaty, which the Nationalists refused to recognize, the greater part of Thrace and the basin and hinterland of Smyrna, subject to certain reservations for Allied supervision, was assigned to Greece. She was also given a vague mandate based on the interests of the Greek population in Asia Minor, and in July, 1920, the "Supreme Council"

asked her to "clear up the whole neighbourhood between Smyrna and the Dardanelles," a task which she accomplished with little difficulty in ten days. Up to the summer of 1920, Turkish Nationalists were scattered and unorganized and powerless to resist. But from this time onwards the pro-Greek sympathies of the Allies began to cool. Having no forces of their own, they had used the Greeks to stem the Turkish Nationalist movement, but before the end of 1920 the whole situation in Greece had changed. King Alexander had died from blood-poisoning following the bite of a pet monkey; Venizelos had been overthrown and King Constantine, who was still regarded by French and Italians as a pro-German, was again on the throne. Even more important, the activities of the Greeks had brought Nationalist reprisals upon the scattered forces of the Allies all over Turkish territory in both Asia and Europe. Early in the year the situation in Constantinople had been so threatening that it was found necessary to occupy the city with a mixed British, French and Italian force. Elsewhere, British forces were attacked and the French suffered a heavy defeat in Cilicia. In March, 1921, the Allies tried a Conference in London, but Kemal, who had not been invited or consulted, rejected its proposals and was more than ever determined to clear Asia Minor of the Greeks. The Greeks, who by this time had an army of 200,000 men in Asia Minor, were absolutely confident of their capacity not merely to hold their own but to dispose of Kemal and capture his capital.

3

Hardly anyone shared this confidence except the British Prime Minister, whose belief in the Greeks and enthusiasm for their cause seemed to rise in proportion as others fell away. He was encouraged by their seeming successes, but these were more apparent than real, for, as became evident later on, it was Kemal's deliberate strategy to lure them on into Asia Minor and choose his own time to strike back. The soldiers were loud in warning, and said again and again that the position of the Greeks was dangerous and unsound, but it was Lloyd George's conviction that the soldiers were nearly always wrong and their remonstrances merely confirmed him in his opinion. The French, meanwhile, were more and more washing their hands of the whole enterprise and in the autumn of 1921 even went to the length

of sending an emissary of their own, M. Franklin Bouillon, on a secret mission to Angora where he concluded a Treaty with Kemal Pasha which made large concessions to the Turks and even handed over to them places on the Mesopotamian border which had been conquered by British arms. Remonstrances from London held this Treaty in abeyance for the time being, but Kemal had been made aware that he could proceed with his operations without any serious risk of French opposition.

4

Since the Italians followed the French lead, the British Government found itself dangerously isolated in its policy of supporting the Greeks. But even this Government was far from being united. Mr. Winston Churchill and Lord Curzon's biographer have between them left a vivid account of the struggles between various Ministers and Departments which were fought out during the next few months while Greeks and Turks stood glaring at each other in Asia Minor. Curzon himself warned and remonstrated and showed uncommon skill and resource in averting a complete rupture between Poincaré, the French Prime Minister, who was for doing nothing, and Lloyd George, who was for going all lengths in support of the Greeks. The attitude of the Government of India, which predicted the most serious consequences among Indian Moslems from any whole-hearted anti-Turkish policy, cut across the contentions in Downing Street and was equally embarrassing to Curzon, who was seeking a compromise, and to Lloyd George, who was undisguisedly pro-Greek. Both were equally angry when Edwin Montagu, the Secretary for India, gave the Viceroy permission to publish a memorandum expressing the emphatically pro-Turkish views of the Government of India. Kemal already knew that the French were sympathetic, and he was now made aware that the British Government was deeply divided. Except that, as Montagu claimed, "Cabinet responsibility had become a joke," there was no possible defence for the publication of this memorandum without the consent of the Cabinet, and Montagu's resignation became inevitable. His friends, nevertheless, claimed for him that by this audacious stroke he had averted the very serious peril of a Moslem rising in India.

All his chivalrous instincts rose up in Lloyd George against what he considered to be the betrayal and desertion of the Greeks, after they had been used for their own convenience by the Allies, and though he was obliged to join in the general veto on the plan which they produced in July, 1922, for occupying Constantinople, he would not sanction any plan for compelling them to evacuate Asia Minor. On the contrary, he made a speech in the House of Commons on August 4, 1922, which seems to have been construed by Kemal as an incitement to the Greeks, and by the Greeks themselves as an encouragement to go forward with their operations in Asia Minor. Passages from it were issued as an Army Order to the Greek forces; and in the Turkish Council Chamber at Angora it led to a decision to risk an immediate offensive. On the night of August 18 Kemal struck with all his forces, and in a few days the Greeks were in a headlong flight from Asia Minor and streaming across the Straits to seek a refuge in Europe.

5

The Turks in their pursuit now threatened the neutral zone on the Asiatic side which all the Allies had agreed should be "demilitarized," and rumour credited them with the still more ambitious design of stirring up insurrection in Constantinople and Thrace, and profiting by it to expel not only the Greeks but the Allies themselves from the former Turkish territory on the European side. Under the pressure of these events, the French consented to join in an Allied warning to Kemal that he must not invade the neutral zone, and French and Italian detachments were sent to reinforce the slender British garrison at Chanak on the Asiatic shore. Believing itself to be assured of Allied support, the British Cabinet now took a high line and on September 15 decided that all British forces, naval and military, should be concentrated on the defence of the neutral zone and on preventing the Turks from crossing to Europe. Had instructions to this effect been given secretly they might have been no more than a necessary and wise precaution, but two days later (September 17) the London Sunday papers appeared with a long and ominous *communiqué* prepared by a group of Ministers on Churchill's inspiration, painting the situation in alarming colours, announcing that the Government had appealed to the Balkan nations and to the Dominions for their

co-operation in resisting the Turks, and claiming the support of France and Italy in their attitude.

This *communiqué* had not been communicated either to the Foreign Office or to the Foreign Secretary, and Curzon, as his biographer tells us, was "infuriated" by it.¹ He characterized it as "a manifesto in essence and flamboyant in style." Far worse, neither the French nor the Italian Governments had been consulted, and they immediately took deep offence at a proceeding which they considered rash and provocative and withdrew their detachments from Chanak. Curzon rushed over to Paris, and after several painful interviews with Poincaré induced him to consent to an invitation being sent to Kemal to negotiate with the Allies. The French Prime Minister, however, was firm on the point that neither he, nor his Government, nor the French Parliament, would risk the life of a single French soldier in a war with the Turks. No answer came from Kemal and in the meantime the situation was complicated by another revolution in Greece, followed by the abdication of King Constantine and the return of Venizelos, who presented himself as the envoy of the new Greek Government in London. This stiffened the backs of the Phil-Hellenes in the British Cabinet, and on September 29 a "Conference of Ministers" decided, against Curzon's remonstrances, to send Sir Charles Harington, the British commander in Constantinople, an ultimatum for communication to the Turkish commander. Sir Charles wisely kept the ultimatum in his pocket and continued to parley with the Turkish commander, with the result that the Turks consented to the Mudania Conference which paved the way to the Treaty of Lausanne in the following year.

6

It will always be a subject of debate whether the British attitude kept the Kemalist movement within bounds, or exposed the Greeks to an unnecessary disaster. But it can only be said that the Allies collectively cut a sorry figure in the whole business. If in 1919 they had decided that the Turks should be left unmolested in their "homelands" in Asia, they would have had no difficulty in imposing their own terms for Turkey in Europe including Constantinople and the

¹ "Life of Lord Curzon," Vol. III, p. 299.

Straits. But when for reasons derived from their own rivalries and secret ambitions they rejected this simple solution and sanctioned a Greek invasion of these homelands, they set a torch to Turkish nationalism and started a conflagration which they had not the will, nor even perhaps the means, to extinguish. In all their countries the war spirit was exhausted, and in 1922 none of them could without the greatest difficulty have mobilized an army for a new war in the Near East. French and Italians were ready for any submission which would avoid war; the mere mention of the word war roused angry opposition in England. Mr. Winston Churchill relates that the reply of Australia and New Zealand to the British Prime Minister's appeal was prompt and generous. The unquenchable Anzacs were ready to try conclusions again with their old enemy. But elsewhere the response was feeble, and other Dominion Prime Ministers and Governments took occasion to intimate that their consent must not in future be taken for granted to any policy on which they had not been consulted. This was to have permanent results on the constitution of the British Empire.

Of the Greeks it may be said that they were at least partly authors of their own misfortunes. They needed no urging to undertake the task that the Allies assigned to them. In 1919 Venizelos was supposed to have achieved a great stroke in obtaining from the Allies a mandate to occupy Smyrna. In the following year the shiftiness of Greek politics and the turnabout from Venizelos to King Constantine gave France and Italy an excuse for what would otherwise have been a base desertion. But except that the Allies were too much absorbed in other matters to pay serious attention to the Near East, there can be no excuse for the long vacillation between the alternatives of reinforcing and withdrawing the Greeks which led to the final disaster. The figure of Curzon, as depicted by his biographer, exhausting himself in warning and remonstrance on paper, and then acquiescing in the course against which he had protested, is typical of many European statesmen at this time.

7

Chanak was the death-blow of the Coalition. Lloyd George had more to say for himself on this particular incident than his critics

realized at the time, and looking back we may say that the British Government at least made an effort to save something out of the wreck. But the mishandling of the whole business was past concealing and the general judgment was that if disaster had been avoided it was due less to the steering of the Government than to the skill and discretion with which General Harington had handled the situation on the spot. Ministers of the old school had long been chafing at the impulsive and erratic methods of the Prime Minister, and the publication of the Chanak manifesto without the sanction of Cabinet or Foreign Office brought them to the limits of their tolerance. During the next fortnight a grand inquest into the state of the Government took place in the Conservative party. That party had already through its chief organizer, Sir William Younger, stamped upon the Prime Minister's idea of holding an election early in 1922, when there was a reasonable prospect of the Coalition returning to power with a substantial majority; and though they retorted with angry protests against what Lord Birkenhead described as "the incursions of the cabin-boy into the sphere of the captain," Lloyd George and his friends were bound to submit.

The "cabin-boy's" revolt gained ground during the subsequent months and became the focus of all the discontent that was now gathering about the Government. This came from many sources. Civil servants of the old school told a story of Government going loose behind the scenes—money being spent with royal munificence, Treasury control becoming a farce, the new elements brought in for the war flouting the traditions and ruining the discipline proper to a public service. The sound of the quarrel between Curzon and Lloyd George—the Foreign Office and the Prime Minister's secretariat—was heard all over London; and Curzon lost caste, not for asserting himself but for the submissiveness with which he, supposed to be the proudest of Ministers, accepted mortifications at the hands of the Prime Minister, which his officials greatly resented. Other less tangible causes contributed. The supporters of the Government had developed an inordinate appetite for honours and decorations and the supply kept pace with the demand. The honours system, whereby party chests had been replenished, had barely borne the strain when one party alone was in power, but it came near breaking altogether when two parties

simultaneously were drawing on the fountain of honour, each with an eye to securing a cash reserve against the day when it would pursue its fortunes alone. Behind each was a crowd of wealthy adherents, some of them greatly enriched by the war, claiming rewards for services rendered and prepared to pay for them on a scale undreamt of by the Whips of less spacious days. Rumours of trafficking in honours and commissions paid to go-betweens were scarcely dispelled by the appearance on the lists of large numbers about whom little was known except that they were rich. Ex-service men remarked rather grimly that rewards for war-services seemed to be in inverse ratio to the risks run by the recipients, and critics broke through a long-established etiquette to ask questions in Parliament about the merits or demerits of some of them. Among the minor causes which discredited the Coalition none in the last days had a more insidious effect on the public mind than this.

8

To saddle all this on the Prime Minister and to hold him alone responsible for all the mistakes of past years and all the *malaise* and unrest that gather about a Government in its last days was manifestly unfair. But at that point Lloyd George paid the forfeit for the dazzling position he had filled in the previous years. As the glory was his, so was to be the discredit. It is all or nothing for the wizard whose spell is broken. Having profited by his magic while it lasted, the Conservative rank and file submitted to their leaders that the time had come to return from wizardry to normalcy. An election there must be, but not one in which the Conservative party would appear again as partners in a Coalition under the leadership of Lloyd George. To pin itself to his failing fortunes and be again exposed to his erratic handling would be death and destruction to Conservatism and the Conservative party.

The more responsible leaders of the party rebelled against this conclusion. They had worked with Lloyd George, been parties to his proceedings, shared his triumphs and disasters, extracted all the benefit for their party that came from association with him in his palmy days, and to throw him aside like a squeezed lemon could not in their view be the part of honourable men. The issue was

stubbornly fought out behind the scenes during the first fortnight of October, and it was still in doubt when the party assembled at the Carlton Club under Austen Chamberlain's chairmanship on the 19th of the month. In the end and after long debate it was decided by two speeches, one by Bonar Law, who had retired by reason of ill-health in March of the previous year, and the other by Mr. Stanley Baldwin, who had only recently become President of the Board of Trade and a member of the Cabinet. Neither of these men was bound by the same immediate obligations to the Prime Minister as the other Conservative leaders. Bonar Law was the obvious Conservative leader in reserve, and he had been long enough absent from the scene to enable him to open a new chapter without serious question. Baldwin was a comparative new-comer, who was at liberty to speak from a recent experience. Without mincing words he declared his conviction that if "the present association with the Prime Minister were prolonged" the disintegrating process in the Tory party which was already far advanced would "go on inevitably until the old Conservative party was smashed to atoms and lost in ruins." He was ready, he said, to go into the wilderness rather than continue the connexion. This was decisive for a great majority of the rank and file who acknowledged no obligation to a Liberal Coalitionist leader, and by a majority of 187 to 87 they resolved to break the connexion.

Lloyd George immediately resigned, taking with him three of the most influential Conservative seniors, Balfour, Austen Chamberlain and Birkenhead, who had protested in vain against a course which they thought unfair and ungenerous. Bonar Law became Prime Minister, the first Conservative to hold that post for sixteen years, Baldwin Chancellor of the Exchequer, and Curzon remained Foreign Secretary. Parliament was dissolved in November, and in the election that followed the Conservatives obtained a majority of 72 over all parties, Labour coming back 144 strong, Independent Liberals, 60, and Coalition Liberals, 55. Electioneering had seldom been more confused. Conservatives attacked the Coalition and presented themselves as the alternative to a régime of which they had been the mainstay for the previous four years; Independent Liberals joined in the attack from a different angle; Labour attacked both Liberals and Conservatives; Lloyd George and his group defended his Administration

against all three. The one thing certain was that the electors were tired of the Coalition and turned to the Conservative party, with its promise of "tranquillity" after the storms and agitations of the previous years, as the only available alternative.

9

A Coalition is almost invariably fatal to one or other of the parties to it, and the manner in which the Conservative party extricated itself from its partnership with Lloyd George and did so in the nick of time to catch the reaction from a régime for which it had shared the responsibility, takes rank as the master political operation of these times. Lloyd George would have been more than human if he had not reflected with some bitterness on the conduct of the men whom he and Bonar Law had specially selected for their "reliability," men who could be trusted not to desert or embarrass a Government at some moment of difficulty; and he might well have reminded them that their own leaders had been warm in support of certain of the operations of which they chiefly complained, the Irish settlement for example, and even the Chanak enterprise. But he had led them a giddy dance which they did not all anticipate in December, 1918, and his peculiar Welsh genius, with its flashes of insight and imagination, its sharp turns and twists, its insatiable zest for the political game, its impatience of steady courses and loose hold of orthodox principles, was ill-suited to the slower-working intelligence of the solid business men who formed the bulk of the Tory party. After four years he left them stunned and dazed and ready to do anything for a quiet life.

CHAPTER LIV

THE CONSERVATIVE SUICIDE

1922-3

I

BONAR LAW was a very ill man when he became Prime Minister in November, 1922, and his term of office was to be no more than seven months. He had promised "tranquillity" and "stability" at the election, but he had little of either in his brief reign. A large part of his strength was worn out in remonstrances with the French, which beat in vain against Poincaré's obstinacy. At home unemployment was still rising and the unsolved housing problem added not a little to industrial unrest.

Another urgent question was that of the debt to the United States, and in December, 1922, the Government sent Baldwin, who was now Chancellor of the Exchequer, to negotiate a settlement at Washington. The atmosphere was far from favourable. The wartime sentiment, which had led many Americans to say that having come late into the war they should be willing to make a generous contribution in money to the "common cause," had largely evaporated. It was now said that having received the enormous benefit of American assistance in winning the war, the Allies were greatly presuming when they expected the American taxpayer to foot their bills. The French refusal at the Washington Conference to make any concession on land armaments, and their obstinate stand on the questions of submarines and auxiliary cruisers, had led even pacifists to say that the United States would do a service to humanity if it insisted on the payment of money which the European nations would otherwise spend on armaments to destroy one another. The Balfour Note, issued in the previous August, had further complicated the situation. This laid

down (1) that the British Government would have been willing to forgo all claims on German Reparations, or for the repayment of debts due from the Allies to Britain, if this was part of a universal settlement, but (2) failing such a settlement, she would be content with a total sum from her Allies and Germany sufficient to cover her payments to the United States, though this was only a fourth of the nominal sum due to her.

That was bare justice to the British taxpayer, and if it was necessary to say anything less could hardly have been said. But it gave all-round offence. The French, who never intended to pay anything unless the Germans paid them, were annoyed with the British for negotiating separately with Washington instead of standing with them to resist the American claim. The Americans complained that they were being held up to odium as the Shylocks of the world who were standing between the European nations and an act of generosity which Great Britain was ready to confer on them. Moreover, they took exception to the whole assumption implied in the Note that what the European debtors might pay America depended on what the Germans would pay them. This, said the Washington Government, did not concern them. One bankruptcy could not justify another, so long as the debtor had the means to pay, as the British undoubtedly had.

For these reasons Baldwin ran into heavy weather at Washington. He had been instructed that not a word must be said which even hinted at repudiation. It was true that the sum owing by Great Britain—about £1,000,000,000—had been raised by her mainly for the benefit of her European Allies, but she had backed the bill and if payment was demanded she must pay. British credit was at stake, and with it the honour and prestige of the city of London as the financial centre of Europe, if not still of the world. But the British Treasury had hoped that considerable allowances would be made for the circumstances, peculiar to wartime, in which the loan had been raised, including the fact that a large part of it had been spent at once on munitions at enormously inflated prices, and to a considerable extent been recovered by the American Treasury through the yield of excess profits taxes. This was admitted as a reason for some fining down of the loan, but not to anything like the extent that the British Government

had hoped and expected. The shock to his colleagues was great when Baldwin came back with a proposal for payments of interest and sinking fund spread over sixty-two years and rising by steps to £37,000,000 a year. Bonar Law even thought of resigning rather than accept this settlement, but since the business world was strongly against prolonging the controversy and thought the sacrifice justified for the establishment of British credit, he acquiesced.

Baldwin was much blamed at the time and later, but if a settlement was as urgent as financial opinion held it to be it is doubtful if he could have done better at that particular moment. The American people were in full reaction from their brief incursion into European affairs, and their experts seemed to be as little informed as the mass of their public about the real problem of the payment of international debts. To all except a few economic initiates the payment of thirty millions and upwards by Britain to America seemed as simple a transaction as the transfer of coins from one till to another. Neither then nor later could Congress be made to understand that the building of a great tariff wall would present an insuperable obstacle to the payment of the debt in the goods or services in which it alone could be paid, when gold was exhausted, unless the United States itself was to lend the money for its own payment. Ignorance on these subjects was common to all the world, but it seemed to be peculiarly concentrated in American business circles. "We don't want your goods, we don't want your services, and we have quite enough gold of our own: we want your money to spend in our own way in our own country." In these words an otherwise intelligent American business man summed up all the illusions which were to turn the collection of international debts into a world-wide catastrophe. All the creditors wished to have their creditors' "money" to spend in their own way in their own country. Nearly all threw up tariff walls to keep out the debtors' goods.

2

Towards the end of May, Bonar Law, who for some months had been seriously ill, resigned, and five months later he died. If not a statesman of the first rank he was one of the supreme handy-men of politics and in that capacity rendered indispensable service to the

country. From the beginning of the year 1917 up to March, 1922, he had played the unspectacular but extremely important part of managing Parliament, while the Prime Minister devoted himself to the war and foreign affairs, and during these years had won the reputation of being one of the most skilful and resourceful Parliamentarians of his time. In his early days he had been chiefly known as a clever and determined propagandist for tariff-reform, and it was only the accident of the conflicting claims of others which, after Balfour's resignation in 1911, brought him to the position of leader of the Conservative party. But long practice in the fiscal controversy had made him fluent and skilful in debate and endowed him with the remarkable memory for facts and figures which enabled him to speak at length on the most complicated subjects without a note.

In 1911 the Unionist party had tired of Balfour's subtleties and was demanding a more full-blooded leadership. Bonar Law responded by announcing that the "era of compliments" was over, and in the next two years he went a great deal farther than the more responsible seniors of the party in committing it to Carson's Ulster policy—perhaps more than on consideration he would have desired himself. Asquith said that he was an "ardent and conscientious fire-eater in public" but an amiable and reasonable man in private, and in the post-war phases of the Irish question he used his influence powerfully on the side of conciliation. If his own reign as Prime Minister was short, he played a leading part in the unmaking of two other Prime Ministers, of Asquith in December, 1916, and of Lloyd George in October, 1922. His friend, Lord Beaverbrook, has described with great frankness the operations which they jointly undertook on the first of these occasions, and their justification, if any, must be found in an urgent sense of national necessity overriding the normal relations between a Prime Minister and his colleagues. In 1922 he had relieved himself from immediate obligations to the then Prime Minister by a period of retirement, but his reappearance to give the final blow to his old chief roused angry feelings among his former colleagues.

He was a Scotsman born in Canada, and until he entered Parliament at the age of forty-two had been in business in Glasgow. To the end of his life he remained the business man, bringing business ideas into politics and having little in common with the public-school and

University type of politicians who were still powerful in public life. The coming of the war shut him off from the opportunity of gaining fame by any characteristic stroke of policy or constructive legislation, but he was eminently suited to handle the Parliament of 1918, which was largely his own creation, and throughout its existence he kept a steady eye on the future fortunes of the Conservative party which, but for his vigilance, might easily have been swamped in the confusion of those times. His political operations often seemed canny and crafty, but he was extraordinarily acute in judging the use which the Conservative party could make of its temporary Liberal Allies and determining the time for their departure.

The tribute which all joined in paying to his moral and physical courage was well deserved. He had lost two sons in the war, he was smitten with a mortal disease, but he held on to the last and gave no handle for anyone to say that the public interest had suffered from his personal losses and sufferings.

3

The withdrawal of Bonar Law left the Conservative party in a state of perplexity about the succession. By all the rules of political promotion Curzon was marked out as Prime Minister designate in the event of a vacancy. Judged either by seniority or accomplishment, his claims were beyond question. He was a man of commanding ability and long experience at home and abroad, and undoubtedly the most accomplished speaker and orator in the Conservative party. He had himself no doubt that the prize upon which he had set his heart from his earliest years was now within his grasp. He was nevertheless living in a world of illusion. Watching his conduct in recent years, the more important of his colleagues had come to the conclusion that with all his talents he would be a difficult master and not very effective Prime Minister. He had played a somewhat equivocal part in the shifts and changes between Asquith, Lloyd George and Bonar Law, and on each occasion had waited for others to act. As Foreign Secretary he had protested and rebelled, but let himself be overridden by Lloyd George and his secretariat. His temper was uncertain, and he had given offence to important people by outbursts which he had forgotten but which they had remembered. His case

greatly resembled that of Harcourt in 1894. Both men had every possible claim to the succession, but of both alike their colleagues, nursing old sores and mortifications, asked the same question : what, if they were thus difficult when under control, would they be like as Prime Ministers ? All agreed that Curzon had genius, but nearly all said that too great a price might be paid for placing this particular kind of genius at the head of affairs.

Curzon was stunned and dazed when the King's secretary communicated to him in a painful interview that the King had decided to send for Stanley Baldwin, the Chancellor of the Exchequer and leader of the House of Commons. The reason alleged was that it was necessary in modern and democratic times that the Prime Minister should be in the House of Commons, but this was a novel idea for the Conservative party and everyone knew that it was not the only or the principal reason. Curzon rallied from the shock and decided to go on as Foreign Secretary, and it must be set down to his credit that (unlike Harcourt) he made no trouble for the new Prime Minister. On the contrary, he sent him a warm letter of congratulation and at the ensuing party meeting proposed his election as leader of the party in the handsomest terms. This is how eminent men were expected to play the game and so Curzon played it, but it is difficult to think of an occasion when the circumstances were quite so testing.

4

Baldwin had shown a formidable capacity for action in the previous October, but he was otherwise a man of equable temperament and genial manners, and Ministers looked for a quiet life under his guidance. Government was now working as in the old days ; Cabinet responsibility had been restored, the Departments were keeping within their boundaries, all erratic geniuses were either out of office or under control. The Government had a comfortable majority and might reasonably look forward to a normal term of office in which to fulfil its promise of " tranquillity " and " stability."

But storms continued to rage in Europe, and Downing Street could not be sheltered from their blasts. The Government had protested against the French occupation of the Ruhr, and with every week that passed its consequences looked more serious. The falling

of the franc had the immediate result of giving a stimulus to French trade at the expense of British and adding to unemployment in Britain. Baldwin was judged supine in the matter, and his apparent acquiescence in the proceedings of the French and lack of constructive ideas on the question of Reparations were the subject of many attacks by the Liberal and Labour leaders. A *communiqué* issued after a visit that he paid to Paris, which suggested that he looked without disfavour on the occupation of the Ruhr, led to loud remonstrances in which some of his own party joined.

Italy also was beginning to give trouble. At the end of August Signor Mussolini, whose high-handed action in suppressing free institutions in Italy had been watched with much misgiving in England, startled all Europe by occupying Corfu with an imposing naval and military force in satisfaction for the murder of the three Italian members of the Greco-Albanian boundary Commission. This was in flat contravention of the Covenant of the League of Nations, which required its members to submit their disputes to arbitration or conciliation before taking warlike action on their own. Mussolini mounted a very high horse, even threatening to leave the League if it interfered with him; the League stood aside while the Ambassadors' Conference persuaded him to withdraw on payment by the Greeks of an indemnity of 50,000,000 *lire*. Casuists argued that this method of settlement was compatible with the principles of Geneva, but in effect the League had suffered a severe blow and again the Government was roundly chided for its acquiescence. Tranquillity, it was said, was being carried too far and Britain was rapidly losing her place in the world. The Treaty of Lausanne, concluded in July, was scarcely an offset to these complaints. Curzon had in fact done all that was humanly possible to save what could be saved out of that wreck, but a settlement which, in addition to guaranteeing the Turks their homelands in Anatolia, gave them undisputed possession of Constantinople and the Straits (subject to certain regulations for demilitarization and the transit of merchant ships and a limited number of warships) and which assigned to them the whole of Thrace up to the Maritza, could not be counted a feather in the cap of any of the Allied Governments.

5

But the main trouble was at home, where unemployment had risen to 1,300,000 and was likely to rise still further in the economic confusion of the world. No less than £400,000,000 had been spent on relieving the workless since the end of the war and there seemed to be no limit to this expenditure. The great majority of the Conservative party, including Baldwin himself, were persuaded that the remedy lay in tariffs, and during the autumn the protectionist spirit received a powerful stimulus from the gathering of Dominion Premiers at an Economic Conference in London. Nearly all of them demanded preference and on a much larger scale than it had been conceded under the McKenna duties. Some of them openly preached Protection as the right policy, not merely for the Dominions but for Great Britain.

Chiming in with this mood, Baldwin, who was a sincere Protectionist, began to speak more and more openly of tariffs as the necessary policy of the country. But in treading on this ground he was from the beginning in a serious difficulty. In order to obtain Free-Trade votes, Bonar Law had pledged himself at the General Election of 1922 to make no fundamental change in the fiscal system in the subsequent Parliament. For a Prime Minister, therefore, to talk of Protection before a year of that Parliament was run was to place himself on a razor's edge between repudiating that pledge and ending the life of the Parliament. Baldwin placed himself exactly in that position by a speech at Plymouth on October 25. In this he painted the unemployment problem in the darkest colours, and said that in order to fight it he must have proper weapons, and that he had come to the conclusion that the only way of fighting it was by protecting the home market. At the same time he reminded his audience that Bonar Law's pledge stood in the way of "fundamental" change in this Parliament.

With these few sentences he killed his Government. He was not the man to repudiate a pledge or to find casuistical ways round it. But still less could he continue to sit in his place with unemployment rising after announcing that the remedy was within reach and that the proper course was to obtain authority to use it. Whether he had foreseen or intended the consequences was much debated at the time.

The hearty endorsement given to his speech by Mr. Neville Chamberlain, now Chancellor of the Exchequer, at an overflow meeting at Plymouth, and a speech to the same effect at Salisbury the same evening by Sir Samuel Hoare, the Air Minister, suggested that a united Cabinet had decided to force the issue at an immediate election. That appears not to have been the case. There was still a strong party of dissent, and as late as November 12 Curzon wrote to a friend, "we are being involved, as I think quite unnecessarily and unwisely, in a conflict that can only be solved by a General Election."¹ Evidently the Cabinet had not decided on an election when Baldwin spoke at Plymouth.

But Curzon was right. Baldwin's words could not be recalled, and an election was inevitable as soon as they had been spoken. Baldwin faced the consequences with composure, and in a speech at Manchester on November 2 outlined what everyone now took to be his electioneering policy. He would still keep food taxes—supposed to be the chief element of unpopularity in the Tariff policy—at a distance and pledged himself to put no tax on wheat or meat. But he would tax manufactured goods, especially those which caused the greatest amount of unemployment; he would give a substantial preference to the Dominions, and he would "investigate most carefully the best way to help agriculture, to examine, co-ordinate and improve existing schemes of old age, health and unemployment insurance and to develop our own estate, the Empire."

Labour at once notified its dissent from the Protectionist part of this programme; and Asquith and Lloyd George buried the hatchet to join in a Liberal manifesto for Free Trade. All the old fires were rekindled and the Free-Traders marched to the attack a united body. The Unionist party, meanwhile, was disturbed and unsettled and far from unanimous. Lancashire looked coldly on the new move, and begged the Prime Minister to take care that no damage was done to the great textile industry which represented one-third of the total exports of the country. The whole-hogging Protectionists complained that he had not gone nearly far enough. What was the use, they asked, of talking about Preference if wheat and meat were excluded? It was a mistake, said Austen Chamberlain, to fight a

¹ "Life of Lord Curzon," Vol. III, p. 364.

great fight on a little issue. The Prime Minister had not said enough to rally his friends and give them the enthusiasm which would alone make victory certain. The *Glasgow Herald*, one of the most powerful supporters of the Government till then, protested against the Unionist party being launched on an enterprise "which could not succeed without disaster to the country, or fail without disaster to itself." Lord Derby, Lord Salisbury and Lord Robert Cecil found salvation by accepting the Baldwin policy as "a temporary expedient to meet abnormal circumstances," but Winston Churchill declared himself a whole-hearted Free-Trader and rejoined the Liberal party, and stood as a Liberal and Free-Trade candidate for West Leicester.

Parliament was dissolved in mid-November and polling took place on December 6. To the end Baldwin remained sanguine that he would obtain a substantial majority, and in spite of the dissatisfaction of the Tory "whole-hoggers" the party managers were confident that, if food taxes were excluded, protection for manufactured goods would be popular not only with manufacturers but with workers. They were deceived. Once more, as on all occasions when it has been presented as a direct issue, Protection was heavily defeated. The Unionist party lost 107 seats—40 to Labour, and 67 to Liberals—and gained only 18 from the other parties. In the end Conservatives, though still the strongest party in the House were in a minority of 91 against Labour (191) and Liberals (158). Many Ministers lost their seats; Lancashire delivered them heavy blows, Birmingham alone remained unshaken. A sensational incident of the election was the defeat of Churchill at the hands of Labour in West Leicester. This ended his career as a Liberal.

The Conservatives had brought their own fate upon themselves. With a majority which might have served them for another four years, they had deliberately killed the Parliament before a quarter of its normal course was run.

CHAPTER LV

THE FIRST LABOUR GOVERNMENT

1924

I

EVIDENTLY Baldwin could not go on. He had committed suicide and was stone dead. But it was by no means so clear who was to succeed him. Labour had no doubts. Within a week of the election its Executive declared its opinion that "should the necessity for forming a Labour Government arise the Parliamentary party should at once accept full responsibility for the government of the country without compromising itself with any form of coalition." But by this time Conservatives and men of business were on Asquith's doorstep begging him to save the country from the calamity of a Socialist Government by taking office, or forming a Coalition with the support of the Conservatives. He remarked rather grimly on this sudden appeal to him by men who had regarded him as a "back number" and a "spent force," and when the newly elected Liberal members met on December 18 he made it quite clear that in his opinion—in which the other leaders of the party, including Lloyd George, concurred—Labour must be given the first chance. He considered that he would place himself in an extremely equivocal position if he attempted to carry on with the support of a party which had just been heavily defeated at the polls, and that party scarcely less if it acquiesced in his doing so without the policy which it had declared to be imperative. But overriding even this consideration was another which he thought paramount. This was that it would be definitely contrary to public policy that the two other parties should combine to deprive Labour of the opportunity which either of them would, without hesitation, have conceded to the other in like circumstances.

This was a wise and far-sighted decision which greatly helped to stay the drift into class-conscious politics which threatened in all countries at that moment. The Liberal party at all events could not be charged with having rallied to the "bourgeois" to block the road to office of the party claiming to represent the workers. But undoubtedly Asquith looked forward to the possibility that the Liberal party would get its chance in the coming Parliament if Labour failed to make good. In his speech at the meeting of Liberal members he entered into an argument to show that a dissolution of this Parliament was by no means the necessary consequence if a Labour Government were defeated. The notion, he said, that a Minister whose following numbered only 31 per cent. of the House, could demand a dissolution seemed to him to be subversive of Constitutional usage and pernicious in the interests of the country.

Here he miscalculated. It was correct to say that a Prime Minister in such circumstances could not demand a dissolution as of right, but it could not be said that it was outside the discretion of the King to grant a dissolution in these circumstances if he chose. Wise as his decision was in the public interest, Asquith had in fact extinguished the Liberal party's last chance of re-establishing itself as an alternative Government. He might at that moment have constituted himself the leader of a Liberal centre party drawing support from the Labour right and the Conservative left. But he would have had against him a Labour party growing in strength and greatly incensed by what it would have regarded as an intrigue of the middle-class parties to exclude it from office. The possibilities can only be guessed at, but there can be no question that Asquith's refusal to contemplate a Liberal-Conservative Coalition in 1924 was one of the decisive turning-points in British party politics.

2

There remained only the alternative of a Labour Government with Liberal support. On January 15, when Baldwin met the House, Labour immediately proposed a vote of no confidence, and Asquith sealed the fate of the Government by announcing that he would advise his friends to vote for it. In these weeks, he told the House, he had been "cajoled, wheedled, almost caressed, taunted, threatened, brow-

beaten, and all but blackmailed to step in as the saviour of society." By "saving society" was meant putting up some kind of combination between Liberals and Conservatives to keep Labour out. He was going to be no party to such a manoeuvre, if only for the reason that it would secure for Labour tens and hundreds of thousands of votes in the country. He had no patience, he went on to say, with the prevalent "hysteria" about putting Socialism into power. There were no dangers in that experiment in a House constituted as this one was. He saw no reason why there should not be useful co-operation between Liberal and Labour in the sphere of social legislation to which that Parliament ought to address itself.

All but ten Liberal members followed Asquith's advice, and the Government having been defeated by 328 to 256, the way was clear for the Labour leader, Mr. Ramsay MacDonald, to form his Government. He had a nucleus of experienced men like Mr. Henderson (Home Secretary), Mr. Clynes (Lord Privy Seal), Mr. J. H. Thomas and others who had served in one or other of the Coalition Governments in time of war, and he drew several recruits from the Liberal party, notably Lord Haldane, who now became Lord Chancellor, as well as three "non-party" men, Lord Chelmsford (Secretary for India), Lord Parmoor (Lord President of the Council) and Lord Olivier, a former Governor of Jamaica, who were said to be joining the Ministry "to enable the King's Government to be carried on." The old guard of Socialism and Labour was represented in the Cabinet by Mr. Snowden, who became Chancellor of the Exchequer, Mr. Shaw and Mr. Sidney Webb; the new Clyde group by Mr. Wheatley. For the first time a woman was admitted to the Government, Miss Margaret Bondfield, who had been President of the Trade Union Congress the previous year, being appointed Under-Secretary to the Ministry of Labour.

So far as looks went it was not a frightening combination, and the public were greatly reassured. But it was at war with itself, and its chief had not thought out, or, if he had, was not in a position to impose on his party, the conditions necessary to keep it alive as a minority Government. There were still in its ranks a considerable number of former Liberals and Liberal-minded men, who for the time being would gladly have worked with the Liberal party on an agreed programme of social reform, but there were others who had

imbibed the whole Marxian doctrine and for years past had been preaching that Liberalism was even more the enemy than Conservatism. There were also trade unionists who, without holding any specific doctrine, were persuaded that a Labour Government should be the servant of the workers and take its instructions from the Trade Union Congress. With doctrinaires on guard lest Socialism should become infected with Liberalism and a party Executive issuing instructions from behind the scenes, the Prime Minister was not in a favourable position to maintain the contact with Liberals which was necessary if the Government was to survive.

Friction set in early in the day. There was no regular consultation between Government Whips and the Liberal Whips. Decisions taken by the Government took the Liberals by surprise, and led to recriminations on the floor of the House. When by-elections occurred, Labour fought Liberals and Liberals Labour, thus presenting seats to the Opposition and reducing their own joint majority. The Government, it turned out, were not ready with the comprehensive unemployment policy which they had promised at the election, and between the conflicting views of their supporters stumbled badly, and were actually defeated in their efforts to meet the situation created by the expiry of the Rent Restriction Act. Their decision to proceed with the laying down of five auxiliary cruisers gave offence to pacifists, both Liberal and Labour, which was only partly allayed by the suspension of work on the Singapore dock. Meanwhile a succession of railway, dock and traffic strikes disturbed the public and required much skilful diplomacy for their composure. Labour, it seemed, could not be relied upon to make things easy for a Labour Government.

3

When the House rose for the Easter recess, the promised social legislation was still in the distance and relations between Labour and Liberals were uneasy. The Prime Minister alone had gained in reputation, and that mainly by his conduct of foreign affairs. He had substituted civil remonstrances for Curzon's scoldings in approaching the French in the matter of the Ruhr, and he had "recognized" Soviet Russia—a step which was approved by Liberals as well as Labour. In his speeches on foreign affairs he seemed to have a grip on the

situation as a whole, and a largeness of outlook which appealed to the experts in all parties. Snowden, the Chancellor of the Exchequer, shared these laurels when Parliament reassembled after Easter by introducing an uncompromisingly Free-Trade and orthodox Liberal Budget. He abolished the McKenna duties, announced that he did not intend to proceed with the proposals for Imperial Preference drawn up at the recent Imperial Conference, reduced the sugar duty from 25s. to 11s. per cwt., and promised to halve the duties on tea, coffee, cocoa and chicory. This eased the situation for the time being, but at the beginning of May the refusal of the Government to give facilities for a Proportional Representation Bill and the heavy Labour vote cast against the Private Members' Bill for that purpose which the Liberal party greatly desired to see passed into law, caused great resentment among Liberals and struck a heavy blow at the co-operation between the two parties. The division on this Bill suggested that Labour and Unionists, though differing in all else, were united in their determination to tolerate no third party if they could help it. Before the end of May, Liberals and Conservatives were both on the war-path against the Government for its failure to deal with unemployment, and it only escaped defeat on a motion to reduce the Labour Minister's salary by Asquith's intervention. But Asquith himself had spoken of the situation as "unstable and precarious," and Liberal M.P.s were more and more complaining that they were "hewers of wood and drawers of water" for a Socialist Government which was more incompetent than any seen in recent years, when faced with problems of social reform. The Minister of Labour, they complained, had actually confessed that he had no policy and was contenting himself with providing maintenance for the unemployed.

But none of the parties was ready to force the issue and Parliament stumbled on to the summer adjournment. Wheatley's Housing Bill, though it proved in the long run to be a useful contribution to the provision of low-rented houses, was sharply criticized from all quarters, and the Minister's habit of making extreme speeches on quite moderate proposals did not ease its passage. During these months MacDonald became more and more absorbed in foreign affairs, and the success after many vicissitudes of the London Conference, which devised ways

of carrying out the Dawes scheme on Reparations and thus at last paved the way to the evacuation of the Ruhr, redounded greatly to his credit. Egypt, meanwhile, was in a simmering state of half-rebellion, and though Zaghlul, the popular leader, came to London and was partly mollified by Henderson's and MacDonald's assurances, the stubborn question of the Sudan blocked the way to any lasting settlement. In Ireland the question of the Ulster boundary reached a deadlock, threatening a renewal of trouble between North and South.

4

Between April and August there was another Conference in London which had every possible seed of mischief in it for the Government. This was with Soviet Russia, and to the convinced Socialists of the party of far greater importance than all other international affairs. To break the "class-boycott" against Russia was, in their view, an essential part of Labour policy and they were determined that it should be achieved at all costs. But the Bolshevik delegates were hard men, holding views which made it extremely repugnant to them to acknowledge that foreigners could have rights in property which had been totally abolished for their own people. Week after week, from April to August, they fought stubbornly against the compensation of British owners of property which their Government had nationalized, and put in counter-claims which would have extinguished the claims of British householders. On August 5 what was thought to be a final sitting lasted for twenty hours and at the end of it the Government issued an official announcement that the negotiations had broken down. At this, loud remonstrances broke out from the Labour party, and a group of Labour members intervened to piece the Conference together and insist that a Treaty should be concluded. Unable to withstand this pressure, the Government on the following day informed the House, to its great astonishment, that a Treaty had been drafted and would be signed the next day.

The Treaty did nothing to allay the astonishment. A few months earlier (June 18) the Prime Minister had assured the House that on no account would the Government guarantee a loan to the Russian Government. The Treaty, or a supplement to it, contained a proposal to guarantee such a loan. And in return the Government had obtained

nothing more than an admission of liability and an assurance from the Russians that they would themselves negotiate with bondholders and investigate the other claims. The loan was to follow automatically when 50 per cent. of the bondholders were satisfied, and the Government were satisfied with the lump sum offered for the other claims. In the meantime a Soviet Trade Delegation was to come to London and be accorded diplomatic immunity.

There were possible lines of defence for this Treaty. The Government could say that the conditions laid down for the loan were such as to leave the key of the situation in their hands, and they could enlarge on the benefit to trade and the relief to unemployment promised by the renewal of commercial relations. But the patent fact which impressed the Parliamentary mind was that the Government had within twenty-four hours revoked a decision taken after months of patient investigation, and done so on the pressure of an outside body unknown to Parliament and having no responsibility. A debate followed in which the Treaty was denounced as a "fake" and the circumstances accompanying it were searchingly exposed, but MacDonald refused to postpone its signature until it had been approved by Parliament, and it was signed on August 7.

5

It could not go on, said all the old hands when Parliament rose for the summer recess, and they said it more than ever a few days later when an incident in the Law Courts revealed the same processes at work behind the scenes. Mr. R. J. Campbell, the editor in charge of *The Workers' Weekly*, said to be "the official organ of the Communist party in Great Britain," had been put on trial at the instance of the Director of Public Prosecutions and with the fiat of the Attorney-General for publishing an article exhorting soldiers, sailors and airmen to refuse to serve in either a military war or a "class" war, and the preliminary hearing had taken place on August 5 before Parliament rose. Thereupon a group of Labour members raised an angry protest, and when the proceedings were resumed on August 12, after the rising of the House, the prosecuting Counsel announced that no evidence would be offered against the defendant because "it had been represented that the object of the article was not to seduce men in the fight-

ing forces from their allegiance, but that it was a comment on armed military force being used by the State for the suppression of industrial disputes." *The Workers' Weekly* would have none of this rambling explanation and asserted that the defendant had persisted in his defence of "justification," and that the charge had been withdrawn solely on the responsibility of the Government acting under pressure of Labour members of Parliament.

Russian Treaty and Campbell Prosecution together provided rich material for the attack on the Government, and platforms rang with denunciations of both during September. Lloyd George vied with the Conservative leaders in denouncing the Treaty, and Asquith too was critical in his more circumspect way. When Parliament re-assembled on the last day of September the Attorney-General was at once questioned on the Campbell case, and in answer gave a variety of reasons for dropping the prosecution which were difficult to square with the explanation given by the prosecuting Counsel in court. Thereupon the Unionist party immediately put down a vote of censure on the Government, to which the Liberals moved an amendment proposing the appointment of a Select Committee to investigate and report. Asquith, who saw farther ahead than some of his colleagues, had hoped in this way to offer a way of escape for the Government, but MacDonald declared it to be a trap and rejected it out of hand. An angry debate followed in which Baldwin delivered the *coup de grâce* by directing his party to vote for the Liberal amendment, with the result that the Government was defeated by 364 to 198.

MacDonald immediately applied to the King for a dissolution, which was granted. By this time all talk of other parties carrying on in the existing Parliament had passed. The Parliament was demoralized; the public was in a ferment, large issues had been raised on which an appeal to the country seemed necessary. Electioneering was prolonged, for the Parliament had to be kept in being until the House of Lords had passed the Ulster Boundary Bill and the polling could not take place until October 29. Undeterred by their previous experience, the Labour party swung to the left and launched a large policy of nationalization as a step on the road to "a really Socialist Commonwealth." Baldwin, meanwhile, having so recently burnt his fingers on Protection, endeavoured to reassure the Free-trade voters by

promising to limit himself to what was called the "safeguarding of industry," and did his utmost to present the Conservative party as the one and only rallying-ground against a subversive Socialism. The Liberals were left in the dangerous position of occupying a half-way house which was only too likely to be swept away if there was any strong tide running in one direction or another.

6.

Such a tide was set running by the publication, five days before the election, of the notorious "Red" letter, alleged to have been sent by Zinovieff, as head of the Third International, to the Communist party in Great Britain on September 15. It was published by the Foreign Office, which described it in a covering note as "containing instructions to British subjects to work for the violent overthrow of existing institutions in this country and for the subversion of His Majesty's forces as a means to that end"—a description which was well justified if the letter was genuine. Was it genuine? Rakovsky, the Russian Chargé d'Affaires now installed in London immediately denounced it as a "clumsy forgery," but MacDonald hesitated. He gave an explanation which left it in doubt whether he had authorized the publication and whether he considered it genuine. He seemed at one and the same time to claim credit for the Labour party for having published it and to throw doubts on its authenticity. He said it should be probed to the bottom. But at this point the *Daily Mail* broke in with a boast that it had forced the Prime Minister's hand, or the hands of the Foreign Office, by threatening to publish a copy of the letter which had come into its hands if he or they did not.

Whatever else it did, the Zinovieff letter blew sky-high the Russian Treaty which had played the chief part in the electioneering of Labour. It was inconceivable that the Prime Minister could proceed with the Treaty if he even thought it possible that the letter was genuine. But the effect went far beyond that particular issue. A wave of indignation swept over the country which sent the electors flying for safety to the Conservative shelter. Fear of the "Russian peril," anger at Russian presumption, wrath with the Liberal party for having put Labour in power, all played their part. In the end Liberals were the chief sufferers, their numbers being reduced from 158 to

40, while Labour were still 151 against their previous 191. The Tory party came back 413 strong—a majority of 211 over all others. Baldwin was thus miraculously saved from the results of his blunder the previous year and Asquith lost his seat at Paisley. There was little electoral justice in the results. With their votes in the country the Liberal party should have had 120 seats in the new House, and they had only 40. Under the single-vote system this disproportion between votes and seats had been an invariable result whenever strong tides of opinion had been running, and once more it raised the question whether a third party could survive unless some form of Proportional Representation were introduced. More than ever from this time forward Liberal candidates were exposed to the cry, which was finally to be fatal to them, that a vote for a Liberal was a vote wasted.

7

There were angry recriminations when the results were known. MacDonald had promised to probe the Zinovieff letter to the bottom, and before he went out he issued the report of a Cabinet Committee which declared it impossible to come to any positive conclusion on the evidence before it. The trouble from the beginning had been that the probabilities were on the side of its being genuine. The Russian Government had for years past been proclaiming that it was doing precisely what from this letter it appeared to be doing. That singular Government saw nothing inconsistent in seeking loans and other favours from "Capitalist Governments" whose overthrow it was avowedly seeking to accomplish. To use one part of its machinery for the former and another for the latter purpose was its regular method of procedure. Whether the letter was genuine or not, there was no question that the Russians had for years past been engaged in the operations which it described, and they had, moreover, been at no pains to conceal their contempt for the British Labour party which drew the line at them. It added to the discomfiture of Labour that it should be displayed in the position of seeking intimacy with a Government which showed it so little consideration.

The short Labour Government of 1924 revealed all the tendencies that were at work within the Labour party and were to blight its prospects for many years to come. Left to himself MacDonald would

no doubt have dropped the negotiations with Russia after exploring the ground. But his party was deeply divided between the old guard which regarded Socialism as a more extensive kind of social reform, and the Marxian Socialists to whom Russia was the flag and symbol of a completely new order. As a practical politician of the old school, MacDonald knew all the perils of the path he was treading, but he was not in a position to defy his left-wing for whom intimacy with Russia was the acid test of Labour politics. It was the division between these groups which wrecked the possibility of Labour and Liberal co-operation in the short Parliament of 1924, and was to wreck it again in subsequent years. The two groups held fundamentally different ideas about the position of Parliament in the system of government. The old guard still accepted Blackstone's classic definition of the functions of a member of Parliament: "every member, though chosen by a particular district, once he is elected and returned, serves for the whole realm; the end of his coming thither being not particular but general; not merely to advantage his constituents, but the Commonwealth as a whole." The left-wing, on the contrary, regarded the Labour party as the instrument of the working-class, and held that a Labour Government should take its instructions from that class, or the organizations representing it, and impose these upon Parliament. When Labour took office in 1924 its left-wing succeeded in setting up a committee of twelve appointed to act as a so-called "liaison body" between the Cabinet and the rest of the party; and the subsequent course of events, and especially the handling of the Russian Treaty and the Campbell case, suggested that Cabinet decisions were liable to be corrected, revised and suddenly reversed by a power behind the scenes and outside the control of Parliament. In the last weeks Labour Ministers seemed to accept without a murmur, and even with an appearance of satisfaction, reversals of policy affecting their Departments which must have caused the instant resignation of Ministers of the old school.

The idea of a workers' party being responsible to none but its own members and entitled, if it obtained power, to exploit the "class victory" for the total subjection of other parties was deeply embedded in Communism, and had been borrowed from Communism and applied to their own purposes by the Italian Fascists. It was the royal

road to dictatorships whether of the right or of the left, but totally incompatible with either the theory or the practice of the British Parliament. In 1924 the Communist view of "the party" had a sufficient hold upon Labour to prevent the give and take and mutually forbearing relations necessary to a minority Government dependent on another party, but it made little progress in the later years and was still in active debate between different sections of the Labour party up to the end of the period covered in this book.

CHAPTER LVI

CONSERVATISM IN POWER

1924-5

I

IN forming his second Government Baldwin healed the Conservative feud after the fall of the Lloyd George Coalition by bringing Mr. Austen Chamberlain and Lord Birkenhead into his Cabinet, the former as Foreign Secretary and the latter as Secretary for India. In the following year he invited Lord Balfour to become Lord President of the Council, and with that, Conservative reunion was complete. One other appointment, that of Mr. Winston Churchill to be Chancellor of the Exchequer, caused some astonishment and much murmuring among the Conservative elders. Churchill had not definitely rejoined the Conservative party, but Baldwin was supposed to have judged it prudent to put this gifted but erratic genius under the restraint of office. Churchill's qualifications as a financier were unknown, but Free-Traders were reassured at seeing one of the most trenchant and formidable exponents of their cause at the Exchequer in a Baldwin Government.

The first act of the Government was to make an end of the Russian Treaty and at the same time to issue a sharp remonstrance to the Russian Government about the Zinovieff letter, which, after inquiry by a Cabinet Committee, it declared to be genuine. The Soviet reply, which merely characterized this as "an unproven allegation" while disclaiming all responsibility for the "Third International," confirmed the impression that the letter was genuine. There was undoubted advantage in trading with Russia and the risks of short-term trading agreements with her were not great, but to enter into such agreements with a Government which considered itself under

an obligation to promote revolutionary agitation throughout the world and was constantly being convicted of endeavours to seduce the armies and navies of its neighbours, was a task requiring a delicate handling for which the Conservative party was not at all inclined. Its inclination after the election was to shut down all dealings with the Soviets and to chase all their emissaries off the scene. In this it was to find a ready and zealous agent in its Home Secretary, Sir William Joynson-Hicks, whose short way of dealing with Bolsheviks was to win him a loud, if fleeting, popularity.

In introducing his first Budget on April 28, 1925, Churchill took a step which, though its importance was little recognized at the time, had large and far-reaching consequences. This was the return to the gold standard. The Act of 1920 prohibiting the export of gold was now permitted to lapse, and the Bank of England again put under an obligation to pay gold for currency notes at the price fixed by Parliament before the war. Sterling was thus once more anchored to gold instead of being left to find its own value in the currency market of the world. Churchill was able to claim that orthodox expert opinion generally favoured this change and thought the moment suitable. All over the world there had been a marked though, as it proved afterwards, a rather shallow and deceptive recovery from the post-war slump. Economic stability, as Churchill told the House of Commons, seemed to be more assured on both sides of the Atlantic than it had been for some years, the exchange with the United States had for some time been steady and was inclined to rise by this act; Great Britain would recover her international position as the great gold standard country. Business would be easier and credit better established if the unit of exchange were not liable to fluctuations. Banking and financial opinion generally consented, with the Bank of England leading the way. Industrial opinion appears to have been little, if at all, consulted.

2

The debate on the Budget centred mainly on the restoration of the McKenna duties and the silk tax, which were attacked as contravening Baldwin's pledge at the election not to embark upon Protection and defended by Churchill as "revenue duties." The return to the gold standard was briefly debated between members supposed to be experts,

but the protests were scarcely above a whisper. Currency was still in these days supposed to be a mystery into which the average legislator did not presume to intrude. Yet within a very few weeks the whole industrial world was seething with unrest. It was not the return to gold but the return to the pre-war parity with gold which was causing the trouble. In effect, the value of the pound sterling, the medium of exchange for British exports and imports, had suddenly been raised 10 per cent. in relation to the principal foreign currencies. From April 28 onwards the foreigners buying British goods had to pay 10 per cent. more, or the British seller accept 10 per cent. less than the one had been paying and the other had been receiving up to that time. Conversely, the importer of foreign goods could buy them for 10 per cent. less with his British money. It was as if all British goods for sale in the foreign markets had suddenly been marked up 10 per cent. and the foreigner put in a position to mark his down by the same amount in the British market if he chose to do so. The margin was sufficient to threaten, if not to extinguish, the profits in a large number of the export trades.

Had the internal value of the pound been raised to the same extent, the situation in the export trade might have been met by reducing the price of the goods, but since that result did not follow, and the costs of production, including wages, remained unaltered, a reduction in price meant a net loss to the British seller. The latter had thus to choose between (1) maintaining the price and losing his market or (2) lowering his price and losing his profit, or a large part of it.

Ever since the war it had naturally been the object of the workers to maintain the advance in wages gained during and immediately after the war, against the effort of employers to reduce them as prices fell. Many strikes had accompanied, and some successfully resisted, such reductions. Employers were already complaining that the rigidity of the wage-standard in this country was placing them at a serious disadvantage with their competitors in other countries where wages were low in comparison, or where they had been reduced in conformity with falling prices. These complaints became louder than ever as the results of the return to gold were realized, and were met from the workers' side by an alarmed outcry that an all-round assault upon wages was threatened. Recriminations came rapidly to

a climax in the coal trade in which the employers declared that they had no chance in the new conditions of maintaining their foreign trade unless they could decrease their costs by either lowering wages or increasing the hours of the miners. Since wages were 90 per cent. of the costs of production, this industry raised the wages and costs question in its acutest form and the miners determined to resist to the utmost. The whole trade union world was soon ranged up behind them, regarding their case as the test case of wage-reduction, and active spirits set about forming a triple alliance between miners, railway men and transport workers in the confident belief that their combination would be irresistible. These three certainly had it in their power to bring the life of the country to a standstill if they were prepared to go all lengths.

3

The miners had a strong case on its merits ; they were certainly not overpaid, their hours were long enough in the conditions in which they worked. The employers' attitude was a simple *non-possumus*. We must either close our pits and leave the miners without wages, or they must help us for the time being by accepting lower wages and working longer hours. To which the retort was that mine-owners were very rich people who had made enormous profits in past times which they ought to use to carry through the bad times without calling upon the workers to sacrifice their scanty wage. Behind the combatants stood Socialists claiming the case as proof of their thesis that the capitalist system had broken down and calling for the nationalization of the mines.

On June 30 the mine-owners announced their intention to give a month's notice to terminate the existing wage agreements and to return to the eight-hour day. They said they were willing to negotiate new agreements but only on this basis, which the miners resolutely refused. Feverish efforts were now made to obtain a settlement and a court of inquiry was set up which set out the miners' case in a sympathetic spirit, but failed to suggest any way of meeting it, if as the mine-owners said, the money was not there. On July 28 the miners went in deputation to the Prime Minister who rashly told them that the Government would on no account give a subsidy to

the mines. Three days later, on the afternoon of July 31, a thousand delegates from trade unions assembled in conference at the Central Hall and decided that instructions should be given to railway and transport workers not to handle coal after midnight that night. An hour later a hurried meeting of the Cabinet took place, and at its close Baldwin told the miners' representatives that the Government would propose a subsidy to carry the mines on to the following May if the miners would continue to work, and in the meantime leave their case in the hands of an impartial Royal Commission. Both parties accepted this, and for the time being trouble was averted. Baldwin subsequently asked Parliament for a subsidy of ten millions—a sum far below the ultimate cost—and defended it on the ground that a strike such as threatened might easily have cost the country a hundred millions.

The case could hardly have been worse handled, and except that he acted on a compulsion from without openly applied, Baldwin's turn-about had an unhappy resemblance to MacDonald's repentance on the Russian Treaty in the previous year. Beyond doubt it greatly strengthened the Labour extremists in their belief, which was to be tested in the following year, that a combination of powerful trade unions could compel any Government to do its will. The Labour party still resisted this conclusion and at its annual Conference at Liverpool in the autumn listened sympathetically to an address from its chairman (Mr. C. T. Cramp) who urged it to give the lie to the charge that it was moving on the path which led to a destructive upheaval of society. At this moment the Labour party saw itself at the parting of the ways between the method favoured by its politicians of constitutional effort in Parliament and the "direct action," as it was called, favoured by ardent trade unionists who looked to a militant combination of workers to coerce Government and Parliament.

4

We must now turn again to foreign affairs. Before he left office MacDonald had succeeded in placing British and French relations on a friendlier footing. The Reparations scheme of the Dawes Committee was to be only a passing phase of that interminable question,

but it served its purpose in enabling the French to evacuate the Ruhr in August, 1924. As already related, Poincaré, whose policy of enforcement was judged to have failed, had been driven from office at the elections of May of that year, and been succeeded by the Radical leader Herriot in whom the British Labour Prime Minister found a congenial spirit. In the meantime, Germany had steadied herself after the misery and confusion of her currency debacle and found her man of the hour in Stresemann who had dealt impartially with all disturbers of the peace, and after a short period as Chancellor, was serving as Foreign Secretary in the Government of Herr Marx.

The French were still greatly concerned about the problem of their "security" which had been left unsettled, as they alleged, by the failure of the Americans and the consequent refusal of the British to take up the Tripartite guarantee proposed in 1919. The Covenant of the League of Nations, they said, was not enough; there were all manner of gaps in it; they might be attacked and overwhelmed while the League was debating whether the case fulfilled its definitions, the unanimity required for action might fail at the critical moment. A "Temporary Mixed Commission" of the League had been studying the security question since 1921, and in 1924 produced a proposal for a "Treaty of Mutual Assurance" which branded "aggressive war" as an "international crime" and contained complicated provisions for "general assistance" to the victim of aggression, fortified by regional pacts which would ensure him "regional assistance." This fell dead on the opposition of the British, American and Russian Governments, and the problem had to be approached from a new angle.

The next stage was the Protocol of Geneva, the joint product of Herriot, and Briand, who was now again French Foreign Secretary, and MacDonald and Henderson, the British Foreign Secretary. This was the perfect model of "collective security" on paper. It covered the whole field, east and west; it "outlawed" war, defined the "aggressor" as one who refused arbitration and provided economic, naval and military sanctions against him. It was to be accompanied by disarmament, and if MacDonald was rightly understood, it was not to come into operation until disarmament had been effected. Disarmament, it was argued, would automatically reduce the risks attach-

ing to it and, had it led to disarmament on the drastic scale that its authors contemplated, the result might well have justified the risks.

MacDonald fell from office while the Protocol was still under debate and though the Assembly of the League had adopted it to the extent of submitting it to the consideration of the Governments, the Baldwin Government refused to proceed with it. Austen Chamberlain, who was now Foreign Secretary, explained to the House of Commons and afterwards to the League Assembly (1925) that he and his colleagues were not prepared to accept the principle of compulsory arbitration embodied in the Protocol, and that they regarded its provisions for sanctions as destroying the balance and altering the spirit of the Covenant. The real obstacles were that the British people objected to taking risks all over the European field and that the Dominions, when consulted, refused to hear of disputes in which they were concerned, such as the immigration of coloured races, being compulsorily referred to a Court of International Justice sitting in Europe. However much the idea of abandoning national sovereignty in favour of international control may have progressed in Liberal circles in London, it was so far in little favour in the Dominions, at all events where their interests were concerned.

5

The rejection of the Protocol ended the dream of a universal organization of peace, but the British Government was ready for a more limited effort, and during the next few months Chamberlain devoted himself to negotiating with Briand and Stresemann for a "regional" pact to ensure against war in Western Europe by giving France security against attack by Germany, and Germany security against attack by France. This resulted in the signature on December 1 1925, of the Locarno Treaties by which Britain, France, Germany, Italy and Belgium undertook "never to resort to war" with one another and all undertook to come immediately to the help of any one of them which was attacked. It was announced at the same time that on the ratification of these Treaties Germany would join the League of Nations on a footing of equality with the other Powers, and it was understood that the last of the Allied troops would be withdrawn from her territory as soon as possible after she had joined the League.

Chamberlain was justly congratulated on a great achievement. The negotiations had by no means all been plain sailing and except that Stresemann, who conducted them on the German side, was a man of great courage and good sense, they could scarcely have been successful. It was difficult to persuade the Germans, who saw their arsenals dismantled, their army at zero, and their territory in occupation of French troops, that the French with their overwhelming force could be seriously alarmed about their security. However much they may have been resigned to the loss of Alsace-Lorraine, it required considerable courage on the part of their statesmen to enter into a formal pledge never to seek their recovery by arms and, in addition, to accept the demilitarization of the Rhineland as permanent. It is true that the Germans themselves had thrown out the suggestion that in certain circumstances they would be prepared to do these things, but they looked for compensation in the evacuation of their territory and the removal as quickly as possible of all disabilities which kept them in the position of a conquered and inferior Power. Not without great heart-searchings were the arguments of those who held that 'Germany should bide her time and in the meantime "bite on granite" overcome, and if the peace-makers prevailed it was on their assurance that German "equality of status" had at last been formally acknowledged, that at Locarno Stresemann had spoken as an equal to equals, and that in the League Germany would be on an equal footing with all the great Powers. Most of all was this prospect held out in respect of armaments, for the signatories of the Locarno Treaties declared their opinion that by "bringing about a moral relaxation of the tension between nations" and "strengthening peace and security in Europe," these Treaties would "hasten on effectively the disarmament provided for in Article VIII of the Covenant of the League of Nations," and undertook to "give their sincere co-operation to the work relating to disarmament already undertaken by the League of Nations and to seek the realization thereof in a general agreement." If so, the gross inequality between Germany and other armaments would shortly be redressed.

The graciousness of these proceedings was a little spoilt by a technical hitch which postponed the entry of Germany into the Council of the League, but this was only a passing incident. There were great

rejoicings in England. A new era was said to have dawned. The Locarno spirit would banish the atmosphere of suspicion and recrimination which had hung over Europe since the war. Chamberlain was made a Knight of the Garter with universal approval, and warmly congratulated by his Liberal opponents. The satisfaction was more moderate in France, and probably no one but Briand could have induced his countrymen to accept the half-loaf of Locarno in lieu of the full loaf of the Geneva Protocol. He and his Government had tried in vain to induce the British Government to extend its commitments to their eastern and southern frontiers. The reply was always the same. No British Government could undertake to mobilize an army for the defence of the Polish Corridor or unspecified disputes in Eastern and Southern Europe. Locarno was as far as they dared go—and farther, as it turned out, than they were able to carry the Dominions with them, for none of them ratified the Locarno Treaties. By signing these Treaties Great Britain formally acknowledged that she was a European Power, but only a West European Power. Her frontier, as Baldwin was to say in after years, was the Rhine. For other parts of Europe the French had to be content with a network of separate Treaties and Ententes from which Britain stood aloof.

6

French militarists discovered that there were gaps in Locarno as there were gaps in the Covenant. Their characteristic doctrine was that the best defence was the attack. *Toujours en attaque*. Would it be certain, when the time came, that the apparently attacking party was not really the attacked? Might not their enemy manoeuvre them into a position in which they would be obliged either to renounce the chief weapon of the defence or lose the support and even encounter the hostility of the other Powers by using it? Military science, they said, knew nothing of the supposed distinction between attack and defence. What they really meant was that they wanted an offensive and defensive alliance between France and her partners, and that nothing less would satisfy them. Reciprocal treaties giving equal advantages to both parties in case of either being "attacked," Covenants imposing delays while an independent authority decided which

side was the aggressor, and all similar devices implying a distinction which was unknown to military science were, in the view of their general staff, so many traps for the modern soldier.

In the end France was only half-converted. She thought the British dangerously sentimental about Germany; she did not believe in any sudden healing of the feud which had lasted for centuries between her and her Eastern neighbour. She was on top for the moment, but her opponent was far the more populous, and potentially, if not actually, the wealthier. Presently he would recover and then, unless she could find Allies—not merely hypothetical partners with freedom to judge how they would act when the moment came—she would be at his mercy. She saw herself in the same dilemma as Germany in 1871; she had done too much to make appeasement possible, but not enough to disable her enemy for more than a generation. Her view of the League was predominantly that it should stand on guard for the 1919 settlement and insist on German fulfilment. If it would do that, she would arm it with all power, even to the extent of furnishing it with an International Police Force. But she listened with growing uneasiness to the voices, mainly British, which reminded her that Article XIX of the Covenant charged it also to revise treaties and which dwelt on the necessity of detaching it from the memories and associations of the war. These were burnt into the French mind and she doubted how far she could trust partners who seemed to forget so easily.

The Locarno Treaties undoubtedly eased the European tension, but the old fears and suspicions remained below the surface, and to a large number the intricate structure of Covenant, Treaty and Pact now erected looked too frail a barrier against imminent facts. Very few were ready to see the former enemy brought to a real "equality of status," if that meant equality of power. The French held alarmist views about the secret arming of Germany; Italians feared that a re-armed Germany would quickly absorb Austria; Italians and French found great difficulty in fixing an acceptable ratio for their respective armaments; Russia was still an unknown quantity but with a rising military power which might turn the scale if she chose again to play her old part in Europe. The Germans claimed that disarmament was definitely promised at Locarno, and all the Powers had agreed

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that it was a "logical consequence" of the Locarno Treaties. The sequel nevertheless was to prove that the moral disarmament on which alone the physical could go forward had only very imperfectly been accomplished.

CHAPTER LVII

THE GENERAL STRIKE

1926

I

HAVING postponed the evil day of the miners' strike by the offer of a subsidy, the Government appointed the promised Royal Commission with Sir Herbert Samuel as Chairman, and instructed it to "inquire into and report upon the economic condition of the Coal Industry, and the conditions affecting it, and to make any recommendation for the improvement thereof." The Commission sat from September to March, when it issued a report of great value on the possible reorganization of the industry with a view to improved conditions in the future. But it was no more able than the Court of Inquiry or the negotiators in the previous year to get round the stubborn fact that some downward revision of wages or increase of hours was necessary, at least for a time, if the industry was to carry on. It proposed therefore that the minimum percentage addition to the standard rate should be reduced and that the miners should submit to this on the owners undertaking to make all possible effort to improve the efficiency and reform the organization of the industry on the lines suggested in the Report.

The subsidy, meanwhile had mounted up from the original ten million to twenty million pounds, and unless renewed was timed to expire on April 30. Followed six weeks of feverish negotiations in which the owners expressed general agreement with the Report, but gave notice to terminate the existing agreements on the expiry of the subsidy, and proposed a reduction so severe that the miners refused to look at it. The time ran out as the quarrel proceeded, and on April 30 the miners "placed their case unreservedly" in the hands

of the General Council of the Trades Union Congress. The next day that Council called a strike of railway and transport workers, the printing and paper trade unions and many branches of the metal, engineering and building trades, to take effect on May 3. Others were held in reserve to be called out later if necessary, but it was clear that if only miners, railway and transport workers responded, the effect would be to paralyse all industry and bring the life of the country to a standstill. On the lines now adopted the strike could be nothing less than a "general strike."

Baldwin hesitated before striking in return and drew on himself much hostile criticism from his own party by endeavouring to negotiate with the Labour leaders after the strike had been called. But he lost patience when it was reported to him that the compositors of the *Daily Mail* had refused to set up an article which they considered "insulting to the workers," and declined further parley. Accordingly on May 4 the country woke up to find the railways shut down, omnibuses and taxis off the streets, and everywhere doubt and uncertainty as to what would happen next, how long shops would be supplied or food hold out, how any sort of business could go on, whether there would be violence and bloodshed, as tempers rose and supplies ran short. Obviously it could not go on for long without causing untold suffering and misery. The rich might go abroad or fly to their country houses and live on the produce of the land, or pay the rising prices without much inconvenience, but for the poor and the mass of ordinary middle-class people there was no escape.

2

Not many days passed before it became evident that the leaders of the movement had not thought out the consequences of their own action. Still less the great body of trade unionists in the country. The advocates of "direct action" had persuaded themselves that Labour had only to unite on all-round simultaneous action to compel the Government to accede to the demands of the miners. In this way it would accomplish in a few days what the slow-moving Parliamentarians and Constitutionals had failed to accomplish in years. A few extremists were willing to go all lengths and looked hopefully to the General Strike as the beginning of the Marxian class-war with

a proletarian victory at the end of it, but these for the most part were middle-class revolutionary theorists who drew their ideas from books. The vast majority of trade unionists were thinking only of the miners, with whom they had a very genuine sympathy, and feared that if the miners succumbed an attack on wages would be opened all along the line.

As a revolutionary movement the General Strike had no backing, and as an effort in "direct action" to bring the Government to terms it was thirty years too late. In the days of horse-traffic a simultaneous strike of railway and transport workers might have forced a Government to submission. But in 1926 the alternatives were no longer railways or nothing; the Government now had at its disposal a great fleet of motors and motor-lorries in private hands and scores of thousands of amateur drivers quite as capable of handling them as the regular transport workers. Having armed itself with the necessary emergency powers it was able in a short time to organize these into a transport service which removed the worst fears and gave public opinion time to work and the strikers time to think. The question now was whether trade unions should exhaust their funds and workmen their savings in a prolonged struggle which could only end one way, unless they were prepared to go the whole length to a revolutionary struggle in which the victory would almost certainly be to the armed and organized forces of the Crown.

Before the first week had passed it was clear that the great mass of the public, including an immense number of those who had answered the call to strike, were opposed to any movement leading in this direction, and were becoming more opposed as day by day they saw its inevitable implications and consequences. The more responsible leaders were now very much in the position of Gandhi when he saw his passive resistance movement leading inevitably to the violence that he abhorred. They said, as he said, that violence was not in their programme or in that of their followers; their aim and their only aim was to obtain justice for the miners. But no more than Gandhi in like case were they in a position to control the movement they had started, if it should proceed beyond a definitely fixed point, and to keep within that limit had been from the beginning the serious intention of most of them.

In this state of opinion, it was comparatively easy to find a way back. Samuel, the chairman of the Royal Commission, did excellent work in building a bridge which enabled the Trade Union Committee to withdraw without seeming to desert the miners, and after ten days the strike was over. It was all immensely good-humoured and peaceful; never did the inherent kindness and neighbourliness of the British people show to better advantage. Workmen, officially on strike, joined cheerfully with their neighbours in mitigating the consequences to the poor and sick, and with the rarest exceptions accorded a genial tolerance to the amateur "blacklegs" who were trying to do their jobs. All said that, whatever else happened, children must not be allowed to suffer. On their side the amateurs developed a quite unexpected aptitude for all kinds of trades. Young men from the Universities drove goods trains through the night; others drove trams and buses, and private cars with their owners at the wheel took the place of taxis. Not a few well-endowed youths discovered for the first time in their lives the pleasure of a full day's work, and many said they were sorry when it was over. The foreign observer said once more that the British were the strangest people in the world, for nowhere else could such a movement have taken place without leading almost at once to violence and bloodshed.

3

But though outwardly the strike had all those mild and extenuating aspects, it was recognized at once as a direct and dangerous challenge to the authority of Parliament and Government. If either could be forced in this way to adopt a policy it had rejected, there would be no sense in talking of a Sovereign Parliament. With the exception of the Labour party and a handful of Radicals led by Lloyd George the House of Commons was unanimous that there must be no yielding on this constitutional issue. Asquith and the majority of Liberals rallied to the Government; Sir John Simon staked his legal reputation on declaring the strike "illegal." The point undoubtedly had weight with the law-abiding public and was angrily contested by the Labour party, but it was intrinsically of very little importance. The Government was presented with an emergency in which it was bound to use all available resources for the protection of the public and the only

question which could have arisen was whether it should spend a few hours in branding the strike as illegal or have sought an indemnity afterwards for treating it as such.

Since the newspapers were unable to appear, the debates on this and other constitutional issues reached the public only through the wireless, which now for the first time played an important part in a political struggle, and through the *British Gazette*, a daily sheet improvised by the Government to fill the gap. All the talents were enlisted for this enterprise which probably made the best of an intrinsically bad job. Distinguished journalists edited it; Ministers and leaders of parties contributed to it; great lawyers expounded the law and the Constitution in its columns. But in its short career it illustrated most of the difficulties inherent in official journalism, and especially that of making its readers believe that its news was not coloured by the official hand. The strikers admitted afterwards that the worst of their mistakes had been the shutting down of the independent press which would at least have given their side a hearing; and all the great names enlisted in its service could not make the official journal comparable to the daily newspapers which the reading public had learnt to expect.

The miners remained obdurate. Some reduction of wages or lengthening of hours was implicit in the terms proposed by Samuel and endorsed by the Trades Union Committee as a basis for further negotiations, and they would accept neither, not even though the Government promised to speed up the negotiations and prolong the subsidy until the negotiations were concluded. They said that what they were asked to accept was a surrender and complained that they had been deserted by their fellow trade unionists. Neither reduction of wages nor lengthening of hours was to be considered until the industry had been reorganized in the manner proposed by the Samuel and Sankey Commissions, and it was even argued that by prolonging the strike they could compel the Government to take over the mines. For nearly seven months they continued in this attitude while their leaders vied with one another in preaching defiance, Mr. A. J. Cook making himself especially conspicuous by the violence of his language and his refusal to listen to argument whether from other trade unionists or from politicians or any others who sought to compose the quarrel. But by November funds and savings were all but exhausted and the

men were drifting back to work. A ballot taken at the end of the month still showed a majority in all districts but one for continuing the strike, but the Executive of the Miners' Federation decided that it was not large enough to justify them in going on and recommended a return to work on the terms offered by the owners, which were substantially the same as might have been obtained without a strike. In the meantime Parliament had passed an Act legislating a return to the eight-hour day, and over a large part of the field both a reduction in wages and a lengthening of hours followed.

The men returned to work in a bitter and sullen mood. Their persistence in fighting a lost battle had been calamitous for them, for the industry and for the whole trade union movement. The industry had received a blow from which it never wholly recovered. In the seven months foreign customers had explored the possibility of alternative supplies and come to the conclusion that some of these were cheaper, more accessible, and less liable to interruption through labour disputes. Equally important, the scarcity of coal had given a powerful stimulus to the movement already in progress to substitute oil for coal, and to economize coal by the use of electrical current. Reorganization to enable the industry to meet the new conditions was more urgent than ever when the strike was over, but neither owners nor miners were in a temper which augured well for any mutual effort.

The loss suffered by other industries cannot be assessed in any positive figure, but it was enormous and it came at a very inopportune moment. France was plunged into a monetary crisis, and the rapid depreciation of the franc more than ever disturbed the balance between the gold standard pound and other currencies. To maintain British exports in which coal played a large part, was specially desirable in these months and their cessation and diminution in the subsequent years was an important factor in the development of the so-called "adverse balance of trade."

4

The political consequences were more subtle, but these too were serious and long-lasting. The immediate result was to strengthen the hands of the moderates in the Labour movement. "Direct action"

had failed, as they predicted; the great mass of the British people were not revolutionary, and would not play the part assigned to them in the "class-war" of the Marxian theorists. The argument for gradualism and Parliamentaryism against the advocates of sudden upheavals had been powerfully reinforced, and the moral would probably have sunk in much deeper than it did if Labour had been left to draw it for itself. When the General Strike ended, everyone said bury the hatchet and leave well alone. King and Prime Minister made moving appeals to the country to make a fresh start in a spirit of peace and good-will. But the prolonged coal strike and the combative speeches of the miners' leaders had recharged the atmosphere by the end of the year, and the Conservative party began to demand a drastic change in the code of law regulating trade unions—a change which would for ever make impossible such a threat to the social order as a General Strike.

The Government responded by producing in the session of 1927 a Bill which with unimportant amendments was carried into law. This definitely declared any strike illegal which (1) had any object beyond the furtherance of a trade dispute within the trade concerned, or (2) which was calculated to coerce the Government or intimidate the community or any part of it. The same Bill also made picketing at the home of the worker a criminal offence, forbade trade unions of Civil Servants to belong to any outside federation of trade unions or to be associated directly or indirectly with any political party; and substituted contracting-in for contracting-out for the "political levy," that is to say, the trade unionist was only to be required to subscribe to the fund which the trade unions collected for political purposes if he signified his assent in writing and was not, as before, to be levied unless he signified his dissent.

If there was any serious doubt on the subject, no objection could have been taken to making the General Strike illegal in set terms, and public policy was undoubtedly on the side of barring Civil Servants from political or other action outside their own combinations. But by forbidding the sympathetic strike, making picketing at the home a criminal offence, and changing the conditions of the political levy the Government seemed to be going beyond the immediate necessities and using the occasion for a counter-attack on Labour. By hoisting

the Trade Union flag and calling the workers to rally to the defence of liberties won by long effort and now filched from them on a false plea, the Labour party recovered a considerable part of the ground that it lost through the General Strike. It is probable that no single cause contributed more to the defeat of Baldwin's Government two years later.

5

Incidentally, the General Strike caused a disastrous schism in what remained of the Liberal party. The reunion effected for the defence of Free Trade at the election of 1923 had proved little more than superficial. Asquith and Lloyd George were as far apart as ever in outlook and temperament, and in the year 1924 they had only with great difficulty been kept in line during the preparation and launching of a new Liberal land policy. After, as before the reunion, Lloyd George insisted on maintaining his separate organization and keeping under his own management and control the fund which had fallen to his share when the Coalition broke up. The mere existence of this fund caused great heart-burning, for large numbers of Liberals considered it highly undesirable that any individual should be in the position of paymaster to a political party. Friction on this and other questions came to a climax on the outbreak of the General Strike. Asquith, who was above all things a Parliamentarian, saw the whole principle of Parliamentary government at stake, and his mind was made up at once that the Liberal party should give the fullest support to the Government in resisting the strike. The "Shadow Cabinet," i.e. the Liberal ex-Cabinet Ministers, supported him in this view at a meeting held on May 3, the day when the General Strike broke out, and their decision seemed to be unanimous. But on May 9 Lloyd George wrote a letter announcing his intention of absenting himself from a meeting which the Chief Whip had summoned for the following day, and expressly stated that his reason for doing so was that he dissented from the line taken by "the leader of the party and others wielding great authority in the party," and that he thought the action of the Government "precipitate, unwarrantable and mischievous."

This was the breaking-point for Asquith, and in so regarding it he had at that moment the support of all twelve members of the "Shadow

Cabinet," as they intimated subsequently in a letter to *The Times*.¹ On the point of form he held that an ex-Minister who absented himself from a "Shadow Cabinet" on the express ground that he differed from his colleagues must be presumed to have resigned from that body, just as a Minister in like case would have been presumed to have resigned from a Cabinet. But the ritual of the matter was of very little importance. Asquith considered that the issue which had arisen between him and Lloyd George raised the most serious questions of political principle, and he was deeply disappointed when certain of his colleagues and many of the rank and file regarded it as a personal quarrel and even went to the length of passing resolutions deprecating the publicity which had been given to it, and proposing deputations to argue with him.

He saw no deputations, for before the end of May he was seriously ill and his doctors were peremptory that he should take a complete rest and cancel all public engagements, including the one which he had specially wished to keep to address the whole party at the annual meeting of the National Liberal Federation shortly to be held at Weston-super-Mare. In his absence the rank and file passed warm but vague resolutions of sympathy, but were evidently in the same distracted state as their representatives in Parliament. Reflecting on the situation during his convalescence, Asquith decided that nothing remained for him but to retire from this disordered scene. All the votes of sympathy and expressions of loyalty and admiration that had been showered upon him during his illness could not conceal the fact that he was without the firm support which was needed to enable him to sustain his position with dignity. He had expressed a view on a question which he thought to be one of vital Liberal principle and the party had wavered and hesitated. The Parliamentary party had passed what was equivalent to a vote of censure on his action; the rank and file had failed to understand his meaning; some who had pledged their support to the end were now on the fence. If it came to a fight he would be in the position of leading a beleaguered garrison against an opponent richly provided with the sinews of war. The principal organizations were rapidly reaching the point at which they would have to choose between closing down a large part of their

¹ June 1, 1926.

work and coming to terms with Lloyd George, and he was resolved that he would not be involved in any further disputes with Lloyd George about his fund.

So after a last meeting with a few faithful colleagues and old friends held at Lord Grey's house in September, he addressed a meeting at Greenock and there announced his resignation as leader of the party, the party he had led for eighteen of the most critical years not only of its own history but of the history of the country. The memorandum addressed to his friends, in which he explained the reasons for his action, ranks among the principal documents in the party history of these times.¹ It raises questions of party leadership, party discipline and party finance which are still unexhausted and have an important bearing on the development of Parliamentary democracy.

Fifteen months later (February 15, 1928) Asquith died, and many said that the "last of the Romans" had gone when he departed. Circumstances made him the instrument of radical change, but his method was that of the old statesmanship with its reverence for Parliament, its sense of order and discipline, its dislike of self-advertisement and mob-oratory. All through the constitutional conflicts in which his Administrations were involved, his attitude was that of a Conservative defending ancient institutions against attacks which would have destroyed their character, not that of a revolutionary seeking radical change. His character was simple and straightforward, and in political strategy he was no match for opponents who circumvented and undermined. There was a certain immobility in his character which rendered him liable to the charge of waiting on events, but with it went an equanimity and steadiness of nerve which enabled him during the nine years of his Prime Ministership to bear without breaking burdens and responsibilities in home and foreign affairs greater than any that had fallen on British statesmen during the same time in any previous period of history. Friends and opponents joined in tributes to his memory, and all were agreed that one of the great figures of modern times had passed from the scene.

¹ "Life of Lord Oxford and Asquith," Vol. II, p. 369.

CHAPTER LVIII

SAFETY FIRST

1927-9

I

EXCEPT for the Trade Union Act the year 1927 left few marks on legislation, but the rough handling of the scheme for House of Lords Reform proposed by the Government gave the quietus to that subject for many years to come. The proposal, which never got beyond a "preliminary explanation," made to the Lords themselves on June 20, was that the reformed House should consist of 350 peers to be appointed, with the exception of Royal personages, of Law Lords and Lords Spiritual, partly by the peers themselves and partly by the Crown, and that this body should have the power of forcing an election when it differed from the Commons. At the same time the power of certifying money Bills was to be transferred from the Speaker to a Committee of both Houses. Though it was said only to amend, its effect would have been to repeal the Parliament Act and it naturally encountered the strongest opposition from both Liberal and Labour who joined in denouncing it as a scheme for putting the Tory party permanently in power. This might not have been fatal, but when large numbers of their own party joined in the attack, some on the ground of its encroachment on the hereditary principle, others on the ground that it set up a rival authority to the House of Commons, and many more in the well-founded belief that it would be fatal to their electioneering prospects, Ministers rapidly cooled off and no more was heard of it after a destructive debate in the Commons.¹ The argument brought out the inherent difficulties which have caused subsequent Conservative Governments to fight

¹ July 6, 1927.

shy of the subject. A democratic electorate is never likely to entrust an hereditary Assembly with larger powers than remain to the existing House of Lords under the Parliament Act, and it is extremely difficult to construct any other which would not be a rival power to the House of Commons. The problem which baffled Asquith in 1911, Baldwin found no easier in 1927.

The otherwise humdrum course of events in the summer of 1927 was enlivened by the proceedings of the Home Secretary, Sir William Joynson-Hicks, popularly known as "Jix," who, not content with the denunciation of the Russian Treaty which had followed quickly on the election of 1924, conducted a vigorous offensive of his own against the Russian Trade Agency ("Arcos") which had been permitted to remain in London. On the afternoon of May 12 a posse of plain-clothes police descended on its premises, seized and collected all the documents they could lay hands on and, when the head of the delegation declined on the plea of diplomatic privilege to give up the keys, blew open the safes. The Foreign Secretary, Sir Austen Chamberlain, appeared to be not a little embarrassed by these proceedings, and told the House of Commons that they were no concern of his.

The City of London too was far from easy in its mind about this method of dealing with an organization which had registered itself as "a British company" and was handling very important business. The Home Secretary, however, found himself the hero of the hour in the Conservative popular press, which stoked anti-alien and anti-Russian feeling to a white heat in the next few days, and his colleagues had to look on while he provided the material for an exciting melodrama published in instalments. The plot followed the best models. A secret document of great importance was missing from the War Office, and there was reason to think that it was concealed somewhere on the premises of Arcos or was actually in the possession of someone employed there. A search-warrant having been obtained, the raid followed, and the fact that nothing was discovered confirmed the Home Secretary in his belief that he was dealing with very skilful and intelligent as well as very crafty people. By this time he had an important clue in the fact known or surmised that the document had been reproduced by means of a photostatic apparatus and, renewing their search, his agents were rewarded by finding in the cellars of Arcos

a photostatic apparatus "exactly corresponding to the description given to the police, and at work on it a man known to be a Secret Service agent of the Soviet Government." This was enough and the Home Secretary's triumph was complete. The Prime Minister told the House of Commons that the Government was convinced by this and other evidence that Arcos, the Trade Delegation, was hand in glove with the Soviet Mission in subversive propaganda both in this country and abroad, and announced that it would wind up the Delegation and send the Mission back to Moscow.

The Labour party was unconvinced and after vainly calling for an inquiry, consoled the Soviet agents by entertaining them at lunch in the House of Commons before their departure, to the great scandal of other members. But Labour too called a halt when the Russians wished a conference summoned to devise means of averting the war which they supposed Great Britain to be preparing against their country. After much importunity the Trades Union Council sent two of their members to Berlin to discuss the matter with the Soviet representatives, but these two showed so little zeal for the proposed campaign that the Russians came to the conclusion, which they frequently repeated in the subsequent years, that the British Labour movement was past praying for, and of their own accord dissolved the "Anglo-Russian Committee."

Now, as always, the Russians were endeavouring to get the best of both worlds—to spread the gospel of Communism by subversive propaganda for the overthrow of Capitalist Governments and to obtain all the commercial advantages possible by dealing with these Governments. In the Arcos debate in the House of Lords Balfour described this as a system of "deliberate and organized perfidy," but the words scarcely fitted a method which was openly avowed as a necessary part of Communist theory and practice, and pursued with great zeal and self-sacrifice and no attempt at concealment in all parts of the world. What was eccentric and puzzling in the Russian practice was that these ardent propagandists seemed honestly to be aggrieved when the Capitalist Government resented their activities and took steps to counteract them. A peculiar technique was in time devised by which the Capitalist Governments developed their trade relations with Russia, while turning the blind eye to her subversive propaganda,

but it needed delicate handling and was always at the mercy of untimely discoverers of the truth. As the Russian Chargé d'Affaires took his departure, he observed that he took with him an arrangement which had just been made with the Midland Bank for financing credits on orders from the Soviets for upwards of £10,000,000. There were some practical spirits who said that the Arcos raid was dear at the price. On December 5 Sir Austen Chamberlain had an interview with Litvinoff, the Russian Foreign Secretary at Geneva, at which the latter endeavoured to patch up the quarrel, but it was as much as his life was worth to give the assurances that Chamberlain required respecting the activities of the Third International and other revolutionary organizations centred at Moscow, and their talk came to nothing. There were still seven years to go before Russia decided to join the comity of nations and deal on a normal footing with her neighbours.

2

From this time onwards the Government fell more and more into a rest-and-be-thankful mood. Its spokesmen expressed the opinion that the return to normal conditions had been achieved in the year 1927 and that for any further improvement in the depressed trades industry must look to itself. Such depression as there was they attributed largely to the General Strike and the coal strike, and therefore, inferentially, to Labour. Unemployment remained constant at a little over a million, but Ministers explained that it was in reality less than it looked since it included boys and women and a great deal of seasonal labour for which in pre-war times no provision had been made. If all was not well, it was said to be as well as could be expected in a world which was still suffering from the effects of the war. The Government lost heavily in by-elections, but Whips and party managers remained confident that it would secure a majority of at least 70 at the coming election.

Churchill's Budgets gave satisfaction to the Conservative party, and the last (1928-9) achieved a realized surplus of £18,000,000. But he handed on a large liability to his successor through his great "de-rating" scheme which was the principal measure of the session of 1928. This relieved agriculture wholly and industry to the extent

of three-fourths of the burden of rates, and compensated local authorities by grants from the Exchequer estimated to cost the taxpayer 22 million pounds per annum. In principle there was much to be said for this measure, and hopes ran high that it would break the vicious circle whereby distress caused high rates, and high rates prevented new industries from being started and old ones carried on in the distressed areas where they were most needed. The defect which caused it to be severely criticized was that it failed to discriminate between prosperous industries of a local character which could well afford to contribute to the rates from which they benefited, and others, like railways, of a national character which were called upon to pay for local objects, such as road-making, from which they drew no advantage and even suffered disadvantage. The Government admitted the distinction but pleaded the impossibility of making it in practice.

Another useful reform which belonged to this year was the substitution for Boards of Guardians of "Public Assistance Committees" of County and Borough Councils. This was a step forward in the process of unifying the administration of the Poor Law and bringing it into relation with the educational and other services administered by local authorities. It was also hoped that the new personnel which would be enlisted and the change of name from "poor-relief" to "public assistance" would humanize the administration and break the chain of dismal associations which had become attached to Boards of Guardians. The important part which the Public Assistance Committees were to play in the development of Unemployment Insurance was not yet foreseen, but the measure was in line with the general movement towards removing the stigma from poverty. The country was now moving rapidly away from the characteristic belief of the nineteenth century that thrift and self-help needed to be guarded by attaching disabilities and social stigmas to the acceptance of public relief.

The Local Government Bill which proposed this change also transferred road construction and maintenance to County Councils and contained various other provisions for enlarging the scope of these authorities. As drafted, it contained 115 clauses and 12 schedules, and Mr. Neville Chamberlain, the Minister of Health, who introduced it on November 27, described it as "one of the greatest measures

presented to Parliament for many years." It may have been that, but the sands were running out and members of Parliament, with their eyes on the constituencies, accepted with relief the drastic time-table for this and the corresponding Scottish Bill with which the Government slaughtered their amendments and rushed these measures through the winter session.

By this time there were signs of a rising discontent with the seeming apathy of Ministers about unemployment and the plight of the distressed areas. On December 5 a conference of Lord Mayors and Mayors of England and Wales was held at the Mansion House to consider further measures for their relief, and especially for that of the mining districts. The Lord Mayor of London had opened a fund, but it had fallen flat at £90,000, which all agreed was utterly inadequate. But the Government was slow to move. The Minister of Health wrote a letter to the conference in which he said that the mining situation was without parallel in that the unemployment of a large number of the workers must be regarded as permanent. The ultimate remedy, therefore, was the migration of the unemployed from the devastated areas to other places, whether at home or abroad, and in the meantime the best that could be done was to supplement unemployment benefit and poor-law relief with voluntary assistance. The conference thought this cold comfort and was not reassured when the Prime Minister promised to circularize the Lords Lieutenant and to place a Government office and an official at the disposal of the organizers of voluntary assistance. A fortnight later, after a renewal of pressure, he proposed a supplementary estimate of £300,000, including £155,000 for the Lord Mayor's Fund, £100,000 for the transference of the unemployed, and £20,000 for the relief of distressed areas in Scotland.

Labour members derided this as a paltry sop, and the speech in which the Prime Minister proposed it to the House of Commons did not improve tempers. The Government, he said, was doing all that it could by assisting transfers and emigration and providing relief works. But the chief responsibility rested with the community. The country was prosperous enough to absorb much of the surplus labour and it was a good thing on the whole for the work of relief to be left mainly to private charity, the charity which in the scriptures was

identified with "love."¹ South Wales, and Lancashire, where the cotton industry was in scarcely better plight than coal-mining, listened rather grimly to this homily, and Labour members went away laden with promising material for use on the platform in the coming weeks.

3

Bonar Law told Asquith in December, 1916, that in wartime it was necessary for a Prime Minister not only to be active but to seem active. The same advice might well have been offered to Baldwin and his colleagues on the eve of the election which was now approaching. They were very conscious of their own industrious achievements—their balanced budgets, their great Local Government Act, their de-rating scheme, their management of the General Strike—and were confident that a recital of these meritorious achievements would bring its own reward. But with unemployment rising and the distressed areas calling for relief, the country looked for a more spirited policy, and was by no means content with the Unemployment Insurance Bill passed in the last weeks of the session which, in order to restore the actuarial basis of insurance, threw large numbers back on poor relief. Both Liberal and Labour camps were buzzing with activity, the former presenting constructive plans, the product of much serious work and many summer schools, the latter determined to have their revenge for the Trade Union Act and launching out into Socialist schemes with which neither of the other parties could compete. Baldwin sincerely believed that the remedy for unemployment was to be found in the Protectionist policy which he had been forbidden to use, but after his previous experience he shrank from presenting it in any undiluted form a second time within five years. Protection, apart, he more resembled an old Liberal of mid-Victorian times than any public man then on the scene, and could barely conceal his scepticism about the planning now coming into favour or his belief that most things would mend themselves best if they were left alone. In tune with its leaders, the Conservative Central Office produced a white paper pouring cold water on Liberal Yellow-book and other constructive plans, and Baldwin went to the election with

¹ Mr. Ramsay MacDonald retorted by quoting a Persian proverb: "Charity is a virtue that is required to overtake neglect and indolence."

the slogan "Safety first"—the motto of the cautious motorist feeling his way through country lanes. The highbrows of the party thought it admirable, but the fighting spirits cried out for ginger and pepper and it was not given them.

The country thought the Government played out, but it was not ready to give the Socialists a free hand and it feared that votes given to Liberals would be votes wasted. The election held in May reflected this divided mind. At the end of it the Conservatives were reduced to 260 against Labour's 289, and as in 1923 the Liberals, though only 59 in number, held the casting vote. This time there was no period of waiting in which Liberals considered what duty and policy required of them. Baldwin resigned; MacDonald formed a Government, and threw on the Liberals the onus of defeating him, if they chose or dared.

4

The occasions which many members of the outgoing Parliament remembered as the high-water mark of its debates were those on which it converted itself into a General Assembly of the Established Church and considered long and earnestly whether the Revised Prayer Book should become law. This book represented the work, extending over twenty years, of learned scholars and ecclesiastics, and all but a small part of it had won general approval. But that part touched one of the central issues on which Protestantism and Roman Catholicism are divided, and by so doing roused strong and deep feelings not only among parties in the Church but among the large numbers outside it who spring to attention whenever they think the Protestant cause to be in danger. For the Revised Book legalized, with certain safeguards, the practice of "reserving the Sacrament" nominally for the use of the sick, but in reality—or so the Protestant and Evangelical parties asserted—to satisfy the Anglo-Catholics, who openly and avowedly practised adoration of the sacred wafer. The Archbishop of Canterbury himself lent some colour to this assertion, for in explaining the Revised Book to the House of Lords (December 12, 1927) he said that a considerable section of the clergy had, in spite of their vows, deliberately departed from the prescriptions of the Authorized Prayer Book, and were not to be brought back to the old path by the moral suasion of the bishops; and that since this state of affairs

was detrimental to the good order of the Church, it was thought best to legalize their "actions," "so far as this could be done without any change of doctrine or any injury to the principles of the Reformation." The Archbishop succeeded in persuading the peers that the Revised Book fulfilled these conditions and carried the measure sanctioning its use by a majority of 241 to 88. But this result was only reached after the minority had made a powerful protest in a three-days' debate, which was followed with lively interest all over the country.

The atmosphere, therefore, was somewhat heated when the measure came to the Commons the day after it had left the Lords. "Trust the bishops" was the advice of the Prime Minister, but it was hotly opposed by his own Home Secretary and Attorney-General who saw a total subversion of the principles of the Reformation in the proposed revision. "Why trust the bishops?" asked others, when on their own showing they were surrendering to a section of the clergy who "in spite of their vows" had deliberately broken the law of the Church. A thief might be pacified by legalizing theft. Many members had only a very dim idea what the point in debate was, but by this time feeling was running strong in the constituencies, and safety seemed to lie on the side of resisting a change which provoked such passionate feeling. When it came to a division, the Revised Book was rejected by 238 to 205.

It was a surprise to the Government and a shock to the bishops who had supposed that, when Parliament gave churchmen the right to legislate for themselves in their own Assembly, the sanction which it had reserved for itself would be only a formality. The Archbishop took it with fortitude and determined to try again in the next session of Parliament. Accordingly, after certain modifications to meet objections raised in the previous debate, the Book was presented a second time on June 13, 1928, and this time debated for two days. The argument was on a high level and ranged over a wide field of theology and metaphysics. It was evident that since the previous December the House had taken much pains to educate itself on the subject of controversy, but it was less than ever convinced that the Revised Book did not cross the boundary between Roman and Protestant, and the slight modifications proposed alienated the Anglo-Catholics without

conciliating their opponents. There was in fact no escape from the conclusion that "reservation," even for the sick, implied the belief that the act of consecration imparted some virtue to the bread and wine which they retained when "reserved" or "carried about." It was clear that the Anglo-Catholics thought it vital to maintain this belief against opponents who thought it superstitious and who regarded the Communion office as an indivisible act of worship to be repeated whenever the Sacrament was administered. In seeking a *via media* which should be acceptable to Parliament, archbishops and bishops were greatly embarrassed by the extremists among the clergy, 2,300 of whom signed a manifesto claiming that adoration was due to the Reserved Sacrament, and asking whether, believing as they did, they would dare keep within the limits laid down in the Revised Book, and, if they did not, how the bishops would deal with them. To the votes of the Protestant opponents there were now added the votes of others who either objected to the restrictions or thought the controversy beyond settlement, and the Book was rejected by 266 to 240, or thirteen more than in the previous December.

One of the speakers in the December debate had said that disaster threatened whether the Book was accepted or rejected, and for a time there was great commotion within the Church. Protestants had threatened secession if the Revised Book were adopted, and Anglo-Catholics, if it were rejected, but the practical solution was that the latter continued to defy the law of the Church and the bishops considered themselves absolved from further attempts to enforce it by the refusal of Parliament to sanction the Revised Book. In the heat of the moment advanced churchmen declared it to be intolerable that the Church should be in bondage to the State in matters of faith and doctrine, and declared themselves from henceforth advocates of disestablishment. But since they took the liberties which were officially denied to them this grievance remained theoretical and little was heard of it in the subsequent years, or is likely to be heard of it unless the State should come into collision with the Church on some such practical issue as the reform of the marriage laws. The worst result of the controversy was that the Church as a whole lost the benefit of a revision of its liturgy which, in all respects but this one, was acceptable to everybody and long overdue.

CHAPTER LIX

THE FINANCIAL CRISIS

1929-31

I

MACDONALD formed his Government predominantly from the right-wing of his party. The "Big Five"—himself, Snowden, Henderson, Clynes and Thomas—settled their own offices, after the usual coming and going about claims and conditions, and laid their heads together about the rest. Snowden became Chancellor of the Exchequer, Henderson, Foreign Secretary, Clynes, Home Secretary, and Thomas, Privy Seal and Minister of Employment, an office unknown to the Constitution, but improvised to meet the special circumstances of the times. The chief innovation was the admission of a woman, Miss Margaret Bondfield, to the Cabinet as Minister of Labour, which in the circumstances was to be the most arduous and difficult post in the Government. Miss Bondfield had proved her mettle as Under-Secretary in the same office, and her appointment was generally approved. Mr. Wheatley, the most dangerous of the left-wingers, was left out and Mr. Lansbury brought in, but not without some misgivings about his reputation for "Poplarism," a memory of the past when he had played a conspicuous part in the distribution of relief in the borough of Poplar in defiance of the Ministry of Health and to the confusion of its finance. It was hoped that as First Commissioner of Works his opportunities for extravagance would be severely circumscribed, and an opportunity offered him of providing amenities and simple pleasures for the poor. No expectation was better fulfilled. Mr. Sidney Webb consented with some reluctance to become a peer and became Colonial Secretary with the title of Lord Passfield. For a Lord Chancellor the Cabinet had to go

outside the ranks of Labour, but in Lord Justice Sankey they found a learned lawyer who had won merit with them as Chairman of the Royal Commission of 1921 which had recommended the nationalization of the coal mines.

Snowden won great applause by the firm stand he made at the Hague Conference of August, 1929, for British rights in German Reparations under the Young plan. The gain was only a transient one, since within three years all the creditors of Germany were to abandon their claims as irrecoverable; but the extremely gladiatorial attitude that he struck in his dealings with the foreigner gave Snowden a standing with the patriotic public that no Labour leader had obtained till that moment.

Ministers had learnt something from their experience in 1924, and this time they declined to permit the formation of any Vigilance Committee of private members, and determined as far as possible to keep on amicable terms with Liberals. There were conferences between the leaders of the two parties and explanations when things went wrong. Liberals had no reason for wishing another election, but they had come to the point when self-preservation was their first law and they considered it reasonable that in return for their support Labour should guarantee them a measure of electoral reform which would give them a fair chance when the country was next polled. At the recent election they had obtained only 59 seats with 5,300,000 votes, whereas Labour with 8,380,000 votes had 289 seats, and Conservatives with 8,670,000 votes, 260. MacDonald's personal dislike of Proportional Representation, and the stubborn opposition of his party to any change which was likely to rescue Liberalism from its present plight, were serious obstacles, and the passive resistance of Labour proved as fatal to the proposal in this Parliament as the active opposition of Conservatives in the previous Parliament. This caused a certain chill in the relations of Liberal and Labour.

There was little legislation of importance in the next two years. A Trade Union Bill reversing the Act of the previous Government raised new and extremely difficult questions on which Liberal and Labour differed and had to be dropped. A Bill raising the school age to fifteen and giving parents a grant of 5s. a week for every boy remaining at school was rejected by the Lords, and though it might

have become law under the Parliament Act, was dropped by the National Government on the ground that the country could not afford it. The Minister of Agriculture, Dr. Addison, succeeded in passing a Marketing Bill and a modest measure for housing in rural districts; the Indian Round-Table Conference was set up, and the Imperial Conference held in 1930 laid the foundation of the Statute of Westminster, but found the Labour Government as obdurate as its predecessors about Tariffs and Preference. Thomas, who by this time was Dominions Secretary, caused some scandal on this occasion by bluntly characterizing the argument of one of the Dominion Premiers as "humbug."

2

By this time the Government was in the grip of forces which might well have defeated the best intentions and the utmost zeal on the part of Ministers. For, five months after the new Government had started on its career came the great American crash, making panic and confusion over the widest area. It had been no gradual declension from prosperity giving time for adjustment, but a sudden fall down a precipice almost in a night, with seismic results in all countries in both hemispheres depending on international trade. In one month stock exchange values declined 40 per cent. on the New York Stock Exchange, and speculators were at their wits' ends to obtain credit to carry their losses. Agricultural values fell rapidly, dragging after them the world price for the principal products. But for the moment, what Europe felt most was the sudden cessation of loans from America, which till then had saved the false façade of Reparations and international debts from collapsing. These, aided by loans from Great Britain, had enabled the European debtors to pay their debts with money provided by their creditors, and Great Britain alone was unable to fill the gap. American exports of capital, which had amounted to \$1,130 millions in 1928, fell to zero in the next two years.

All the assumptions on which Churchill had based his last Budget, and Snowden, the new Chancellor of the Exchequer, had intended to base the next, were in ruins before the end of the year. Depression fell on foreign trade and spread rapidly to the home trades; the number of the unemployed, which had been 1,122,000 when the

Government took office, had risen to 1,660,000 by the following April and was still rising fast. The Exchequer was hit both ways. The existing taxes could not be expected to maintain their yield; large new sums would have to be found for unemployment. At the same time the cost of Churchill's de-rating scheme had to be met, and the Labour party were looking to the Government for an adventurous policy of expenditure on social schemes. The year 1929-30 ended with a deficit of £14,523,000, instead of the surplus of £4,336,000 for which Churchill had budgeted, and for the coming year Snowden had to face a prospective deficit of £31,714,000. Being a staunch Free-trader he had intended to repeal the McKenna duties but he was obliged to say that he was unable to spare the £10,000,000 of revenue which they brought in. He met his deficit and provided a little in hand by adding £31,000,000 to income-tax, supertax and death-duties; adding 3d. a barrel on beer and raiding the so-called Rating-relief suspensory fund—the yield of a recently added petrol tax—for current expenditure. An amendment of no great importance in Committee of the Finance Bill revealed uneasy relations between Lloyd George, who was leading the Liberals, and the Labour leaders, and all but cost the Government its life, but on the whole Snowden was thought to have made the best of a bad job.

Bad became rapidly worse in the next few months. Unemployment mounted towards the three-million mark, and most of the schemes for dealing with it which Mr. Thomas had been preparing in his capacity as Lord President of the Council and "Minister for Employment" seemed like pills for earthquakes, and had to give way to the urgent necessity of finding money to meet the immediate emergency. The Insurance scheme was bankrupt, in the opinion of the Treasury, which Snowden shared, taxation of wealth was at or near saturation point, and borrowing was the only resource. At the end of June, Miss Bondfield, the Minister for Labour, told the House of Commons that the deficit in the Insurance Fund was at the rate of £1,000,000 a week and likely to rise. The borrowing on this account was already £125,000,000, and there seemed to be no end to it.

About this time a Royal Commission, appointed in the previous October, to inquire into the working of Unemployment Insurance

reported that it was imperative to cut down benefits and increase contributions and pointed to numerous anomalies and abuses in administration. But the Government had, only a few months earlier, carried a Bill increasing benefits and adding to the State contribution, and been bitterly attacked by its left wing for its niggardliness in both directions, and the utmost that it dared do now was to introduce a Bill dealing with the anomalies but leaving the benefits untouched. A deep schism was now opening between the right and left wings of the Labour party. The right wing, led by Snowden, held orthodox views on finance and viewed with alarm the drift into national bankruptcy; the left wing saw the long-predicted downfall of capitalism approaching and welcomed a prodigal expenditure which would hasten it and pave the way to "Socialism in our time." The "first-class financial crisis" desired by one of their number in later years was already in the minds of a good many in the spring of 1931, and already the more ardent spirits looked ahead to the capture of banks and the nationalization of industries rendered powerless in the general confusion.

3

Snowden was full of warning, but he kept up appearances, though his distress was visible in his second Budget. His realized deficit was £23,000,000, but he was able to claim that this was more apparent than real, since £66,000,000 had been paid into the Sinking Fund during the year. He put his prospective deficit at £37,000,000, but in the circumstances it was difficult to believe that he seriously expected to keep it within that limit. On the principle of any port in a storm, he took £20,000,000 from the dollar-exchange account—a fund established to insure the payments of debt to America against the fluctuations of pound and dollar—added 2d. a gallon to the petrol tax and required income-tax payers to pay three-quarters instead of half their tax in January of the following year. In this way he just turned, or seemed to turn, his corner, but he was well aware that no future Budget could be balanced by this scraping together of unconsidered trifles.

But some weeks before the Budget was reached the Government had unknowingly dug its own grave. On February 11 it had parried

a Conservative vote of censure on its "continuous additions to public expenditure" by accepting a Liberal amendment for the appointment of a "small and independent Committee" to advise the Chancellor of the Exchequer how to reduce this expenditure. The Committee was appointed with Sir George May, recently head of the Prudential Assurance Company, as Chairman, and immediately set to work. It reported at the end of July that the prospective deficit in the next Budget would be in all probability £125,000,000, and recommended economies to the extent of £96,000,000, £80,000,000 of which, according to its recommendations, were to be found by reductions in the social services. The Government apparently had not foreseen the effect which the publication of this report would have upon foreign opinion, but it was immediate and devastating. The American crash had shaken credit in Germany and Austria and all through Central Europe, but the foreigner had continued to believe that London was safe and had sent his money there in large quantities. But he now got it into his head that the British position too was insecure, and in the last half of July and beginning of August began withdrawing his deposits from London. During July the Bank of England lost gold and foreign exchange at an alarming rate, and though it obtained a credit of £50,000,000 from the other central banks, the drain continued. If this went on a total collapse of the entire credit system was certain.

By this time Parliament had risen and the Cabinet was scattered. The Prime Minister returned in hot haste to London and recalled the members of the Economy Committee from their holidays. At the same time he communicated with the leaders of the Opposition, Baldwin, Neville Chamberlain, Herbert Samuel and Donald Maclean, and they too were soon in London. Meanwhile, the Treasury prepared a report which, assuming that borrowing for current expenditure on Unemployment Insurance and the Road Fund ceased, showed a deficit for the current year of £75,000,000, and for the following year of £170,000,000. These were staggering figures, and with every hour it became clearer that the Government unaided would be unable to handle them.

For the May Committee and the Cabinet Economy Committee together had brought confusion to the Cabinet. The Cabinet Committee submitted a first draft tentatively proposing economies

of £78,000,000, whereupon the Cabinet agreed provisionally to £56,000,000, but on further consideration whittled this down to £22,000,000, and in any case refused to contemplate reductions in Unemployment Insurance. A joint meeting of the General Council of the Trade Union Congress, the Executive of the Labour party, and the Consultative Committee of the Parliamentary Labour Party, at which Snowden explained the situation, was even more obdurate.¹ "The only proposal to which they were not completely opposed was that the salaries of Ministers and Judges should be subjected to a cut. They were of opinion that no economies were needed, and all the revenue that was necessary could be obtained by additional direct taxation and suspension of the Sinking Fund." The argument that the suspension of the Sinking Fund was of all measures the most likely at that moment to produce a situation in which the whole Unemployment scheme would founder made no impression on them. But Rome was burning while the Labour orchestras were playing these themes. The Bank of England, trying desperately to raise another £80,000,000 in New York and Paris, was in the mortifying position of having to satisfy both the Federal Bank of New York and the Bank of France that the British Government seriously intended to restore the financial position, and it was obliged to report that nothing less than a 10 per cent. reduction on expenditure—the May Committee had recommended 20 per cent.—would suffice for this purpose. A small majority of the Cabinet was willing to make this sacrifice, but the minority would have resigned and broken the Government rather than consent.

4

To this point it came on Sunday, August 23, when, finding agreement to be impossible, MacDonald asked his Cabinet colleagues to place their resignations in his hands, and after seeing the King, informed them briefly that "His Majesty had accepted his advice to meet Mr. Baldwin, Sir Herbert Samuel and himself next morning at ten o'clock."² Two hours later he met his Labour colleagues and reported that it had been decided to "form a Government of individuals whose task would be

¹ Snowden "Autobiography," p. 942.

² *Ibid.*, p. 950.

confined to dealing with the financial emergency." ¹ As to the meaning of this MacDonald kept his own counsel. They had apparently expected that he would retire with them and leave Baldwin to form the new Government, and complained bitterly that they had been left in the dark—some even said betrayed—when it turned out that he was to remain and carry on as head of the new National Coalition Government with the support of both Conservatives and Liberals, and such of his Labour colleagues as he chose and were willing to serve with him.

It was generally believed that the King had used his influence to procure this result, but, whoever prompted it, there could have been no better solution. The occasion required a Government which would be stamped as national, and to leave the Labour Prime Minister in command and associate other parties with him was the right and obvious way of giving it that character. It was also essential at that moment that the new Government should include men who knew the whole situation from within and none could be better informed than the Prime Minister of the late Government and the Chancellor of the Exchequer, Snowden, who followed his Chief. The moment was far too critical for further explanations and recriminations and, having come to this decision, MacDonald showed courage and character in making a clean cut. Recriminations followed abundantly, and the wrath of the Labour party was poured specially upon the bankers who were alleged to have plotted the downfall of the Labour Government and refused it the credit—supposed to be ample and overflowing—for financing Unemployment Insurance. Hence the projects of later years for placing bank credits at the disposal of future Labour and Socialist Governments. The truer picture is that in reliance on the impregnability of the national credit the bankers had imprudently lent on long term what they had borrowed on short, and were to that extent to blame, but that in the end they were struggling to maintain any sort of credit in face of the world opinion that the British Government was steering to bankruptcy. Their problem was to persuade the foreign lenders, to whom they were compelled to have recourse, that their fears were groundless, but this in the end was beyond their power unless the Government itself was willing to face the position.

¹ Snowden "Autobiography," p. 951.

5

We come now to events which are the material of current politics on which judgment is in the balance, but it may be convenient to summarize briefly the more important.

The new Government had intended to maintain the gold standard, and for the time being appeared to have restored confidence by the drastic retrenchments and new taxation with which it balanced the national accounts. But trouble in the lower deck of one battleship, owing to the reductions in pay, gave rise to unfounded reports of a mutiny in the British navy, and this led to renewed withdrawals from London. On September 21, the Bank of England was compelled to suspend gold payments and Parliament to pass an Act suspending the gold standard. The public had been taught to think of this as a great calamity, but since the internal financial position was now secured by the balanced budget, the departure from gold actually gave a fillip to foreign trade without disturbing the purchasing power of the pound in Great Britain. The new Government was unanimous about these immediate steps, but it was far from agreed about what was to follow. Its Conservative supporters, who were the great majority, pressed for the institution of a tariff and, as a preliminary to it, the immediate dissolution of the existing Parliament which contained a large majority of Free-traders. A few Liberals, headed by Sir John Simon, announced their conversion to a tariff on the ground that the adverse balance of trade required it, but the great majority of Liberals stood to Free Trade and objected to the proposed dissolution on the ground that it would be an unfair use of the situation for the benefit of the Conservative and Protectionist party. Mr. Lloyd George, who had been prevented by illness from joining the Government, was specially hot in protest.

This opposition was overborne and the election held in October, with the result that the Government was returned with the immense majority of 502, the Labour party being reduced to 52. MacDonald now reconstituted his Cabinet bringing it up to the normal number of twenty, of whom only four were known to be staunch Free-traders. He had gone to the election asking for what he called a "doctor's mandate" to apply any remedies, including tariffs, if after careful inquiry they were found to be necessary.

With an immense Protectionist majority in Parliament and the Cabinet there was no doubt that they would be found necessary, and the first act of the new Parliament, when it assembled in November, was to pass the Abnormal Importations Bill which empowered the Board of Trade to impose duties up to 50 per cent. on articles alleged to be "dumped." The Free Trade members of the Cabinet (Viscount Snowden, Sir Herbert Samuel, Sir Donald Maclean and Sir Archibald Sinclair) accepted this under reserve, but when, in the following session, the Government went on to propose a 10 per cent. *ad valorem* duty on all imports, with power to an Advisory Committee to add to these at their discretion on all imports said to be non-essential, they notified their dissent and sent in their resignations. They were nevertheless persuaded to remain on an "agreement to differ," which left them free to vote and speak against the proposals of their colleagues.

This was a novel experiment breaking the ancient tradition of collective responsibility, and it very soon broke down. Attacks by its own members on the principal policy of the Government offended the Parliamentary sense and caused increasing friction in the Cabinet. Sir Donald Maclean died in June of this year, and the Ottawa Conference of September, at which, after much hard bargaining with the Dominions, the Government adopted the whole policy of Tariffs and Imperial Preference, was the breaking point for Snowden, Samuel and Sinclair, who thereupon made their resignations definite.

The Government inevitably lost much of its national character through these secessions, but in many respects it was still distinguishable from an ordinary Conservative Government. Its leader had been for a large part of his political life the leader of the Labour party; it had a sufficient infusion of Liberalism to enable it to keep its tariffs within bounds and to pursue the Liberal policy which after many conferences and long debate gave India a self-governing Constitution, in the teeth of a Conservative "Die-hard" opposition. Sir John Simon, its Foreign Secretary until 1935, incurred much criticism for his supposed lack of initiative and legal habit of mind, but he found himself in a sea of trouble—the rise of Hitlerism in Germany, the failure of the Disarmament Conference, the defiance of the League by Japan—in which it was easier to criticize than to say what ought to have been done. In 1933 and 1934 foreign policy was dominated by

the extraordinary events that were going forward in Germany—the burning of the Reichstag, the seizure of power by the Nazis in 1933, the Hitler purge of 1934, the persecution of the Jews, the withdrawal of Germany from the League, her uncontested claim to re-arm in defiance of the Treaty of Versailles—which shook to its foundation the political structure raised in Paris in 1919.

Disturbing events followed quickly during the next few months. On October 9, 1934, King Alexander of Yugoslavia and the French Minister, Barthou, who had gone to meet him on the occasion of his visit to France, were both assassinated at Marseilles. In December the Wal Wal frontier incident started Italy on the course which was to trouble all the nations in the following year. Fear of Germany hung over France and Italy. In January, 1935, the French Minister, Laval, came to an understanding with the Italian Duce for joint action in the event of her aggression in Austria. In March Germany introduced conscription and announced her intention of forming a new military air force; France replied by increasing her term of military service from one year to two. About the same time Sir John Simon and Mr. Anthony Eden visited Berlin, Moscow, Warsaw and Prague in an effort to calm the troubled waters; and in April, Britain, France and Italy were supposed to have agreed on a common policy for most European purposes. France in the meantime was making a pact with Russia, and Britain came to a naval agreement with Germany—to the great dissatisfaction of the French, who complained that neither they nor the League of Nations had been sufficiently consulted before it was signed. In May the British Government announced that its air force was to be trebled in the next three years.

In June, 1935, Sir John Simon ceased to be Foreign Secretary, and was succeeded by Sir Samuel Hoare. At the same time Mr. Anthony Eden was appointed Minister for the League of Nations with Cabinet rank. Eden won golden opinions by his spirited defence of League principles at Geneva in the following weeks, but old Constitutionalists expressed some doubt as to the wisdom of appointing two Ministers of Cabinet rank to control Foreign affairs. Some of these subjects are dealt with in other chapters, but in general we see Europe coming up to the great test of the idea of "collective security" through the League of Nations in the affair of Italy and Abyssinia, and the British

Government standing for what may fairly be called "international Liberalism."

The economic aspects of these years are discussed in the chapters that follow. Tariffs apart, the chief achievement of the Chancellor of the Exchequer, Neville Chamberlain, was the conversion in 1932 of War Loan from a 5 per cent. to a $3\frac{1}{2}$ per cent. security with a saving to the Exchequer of £30,000,000 a year. Times were improving. Tariffs gave a stimulus to internal trade; the great house-building boom in the years 1934-5 provided new employment; balanced Budgets and orderly finance played their part and the country enjoyed a considerable measure of prosperity which was in striking contrast to the condition of most other countries. The numbers of the unemployed were reduced from 2,800,000 to 1,900,000. But the new Tariff policy bore hardly on the "special areas" whose return to prosperity depended on the recovery of foreign trade, and the Government was much criticized for its failure to deal with them. All parties were now speaking of "planning" as a necessary part of government, and Mr. Walter Elliot led the way with a series of plans for agriculture, which took its various departments—bacon, milk, hops, potatoes, etc.—and aimed at securing a remunerative price for a necessarily limited number of producers in each, foreign competition being controlled by quotas, and the home-grower helped, when necessary, by subsidies. This technically conformed to the Government's pledge not to put tariffs on food-stuffs, but so far as the consumer was concerned, the quotas had the same results as tariffs. By this time shipping and other industries which were either damaged or could not be protected by tariffs were also demanding subsidies, and the amount of public money going out in this way had become a very serious item in the annual Budgets.

The great ceremonial event of the year 1935 was the Jubilee of King George's reign, celebrated amid universal rejoicings on May 6. The King had been dangerously ill in the winter of 1928-9, and the bulletins from his sick-bed had been watched with deep sympathy and anxiety throughout the Empire. Concern for him on this occasion seemed to awaken the public to a true sense of the services that he had rendered to the country and Empire during the twenty-five years of his reign, and which his own simplicity and modesty had some-

what veiled. In 1935 constitutional monarchy seemed to be vindicated in his person. He alone among the monarchs of the Great Powers had survived the storms of these years, and he by general consent had maintained the great tradition of the impartiality of the Crown between political parties and used its mediating influence wisely and coolly in circumstances of great difficulty. The celebration of his Jubilee was a unique demonstration, and the more impressive because spontaneously given to a man who claimed nothing for himself. People contrasted in their minds the simple and dignified demeanour of the British Sovereign with the loud boastings and claims to infallibility of the foreign dictators. Queen Mary justly shared the honours of this great public acknowledgment. The King seemed well, and there was no presentiment that his reign would be ended within eight months.

In June, 1935, Baldwin succeeded MacDonald as Prime Minister, thus for the third time occupying the highest place, and in October he decided on a dissolution of Parliament. The moment was skilfully chosen. The situation created by Mussolini's defiance of the League caused great anxiety, the Labour Opposition was deeply divided between its pacifists, who objected to any policy which might lead to war, and others of its members who criticized the Government for being slow to support the League at the risk of war. The latter objected almost as strongly as the former to the "rearmament" which the Government declared to be one of the principal duties of the new Parliament, thereby exposing themselves to the retort that they were ready for war but not ready to provide the means of making it. It added to the difficulties of Labour that a few weeks before the election its greatly respected leader, Lansbury, resigned in consequence of his differences with his party on these issues. His place was taken by Major Attlee, who did his best in the difficult situation, but had the disadvantage of being little known to the public.

"A million new houses built, a million more employed" was the slogan on which the Government appealed to the country on its domestic record. Against it Labour set its Leicester and Brighton programmes with its promise of a new social order by the uprooting of the Capitalist system and the nationalizing of land, mines, banks

and other great industries. The leaders of the party moderated their language in the hope of securing Liberal and middle-class support, but nothing could conceal the fact that these proposals were, in the aggregate, of a revolutionary character and, as before, the fear of violent change worked greatly to the advantage of the Conservative party. As in 1924, so in 1935, the reaction from Socialism swept over the Liberal half-way house and sent immense numbers, who in normal times would have voted for a Progressive party, running for shelter to the Conservative camp.

The election, held on November 14, gave the National Government a majority of 247 (Conservatives 387, National Liberals 33, National Labour 8), a figure which, though necessarily below that of the abnormal flood-tide of 1931, was greatly in excess of the most sanguine estimate of its supporters. Labour with 154 seats was far below the position it had reached in 1929; and independent Liberals were reduced to 21. Lloyd George with his special programme and his "Council of Action" had little traceable effect on the course of events, but 63 members of the new Parliament, including some Conservatives, gave a general adherence to his proposals. "Safety first" had not been an auspicious war-cry for the Conservative party on a previous occasion, but undoubtedly it expressed the mood of the country in 1935. The election was largely a personal triumph for Baldwin, who reaped the reward of high character and uncommon skill and sagacity in the handling of his party. Immense numbers of his countrymen judged him to be "a man discreet and wise to set over the nation."

A sudden and altogether unexpected catastrophe overtook the Government within three weeks of the election. On December 7 Sir Samuel Hoare, the Foreign Secretary, being about to take a holiday in Switzerland, took occasion to visit M. Laval, the French Prime Minister, in Paris, and after a few hours' conversation the two men reached complete agreement on a series of proposals for the settlement of the Italian-Abyssinian dispute for submission to the League, to Italy and to Abyssinia. The British Cabinet considered these proposals on December 9 and 10 and gave them a somewhat reluctant consent. But on the following day the general outline of the plan leaked out in Paris and raised a storm among all parties in Great

Britain, where it was judged to be tantamount to the dismemberment of Abyssinia for the benefit of Italy. The British public, educated in League principles by the successful "Peace ballot" of the League of Nations Union, was hot in indignation at the betrayal of the League which it discovered in this proposed settlement. Protests poured in from all quarters, and such a revolt threatened among Ministerialists in the House of Commons that the Government found it necessary to withdraw its support from the scheme and express its regret that it had been misled into giving it a temporary support. Sir Samuel Hoare thereupon resigned from the Foreign Office, and his place was taken by Mr. Anthony Eden, who had been Minister for the League of Nations. The appointment was taken to mean that the League would from henceforth be the sheet-anchor of a British foreign policy.

The incident revealed in a flash the differences between the old diplomacy and the new order supposed to have been inaugurated by the League of Nations. According to the standards of the old diplomacy, the Hoare-Laval settlement would certainly have ranked as a creditable achievement on the part of the British and French Ministers. It guarded the interests of France and Great Britain; it saved as much for Abyssinia as she could have expected to retain when attacked by a great Power; it gave Italy substantially what she wanted without the cost and loss of life of a long campaign. But undeniably it rewarded the aggressor at the expense of his victim, and so far from discouraging aggression raised the presumption that a skilful use of threats and defiance would win the support of the League for the aggressor. The rejection of the Hoare-Laval scheme was undoubtedly a decisive check to tendencies which threatened to convert the League into a diplomatic convenience of the big Powers, but it still remained to be decided whether the League could invoke the positive power needed to defend the weak against the strong, and place its veto on the pursuance of a war which it had stigmatized as an act of aggression.

That was a question left unanswered at the end of the year 1935. As against Mussolini the members of the League were overwhelmingly strong on paper, but he kept them in a state of uneasiness by vague threats of the use he would make of his power in the air, if they proceeded with sanctions beyond the point that he thought tolerable; and since the experts greatly differed as to the results of

bombs on battleships and docks, there was a general reluctance to be the subject of the first experiment. It was evident at the end of the year that the establishment of "collective security" through the League of Nations depended almost wholly on Great Britain. She was heard saying that she had carried unilateral disarmament too far to be able to play her part with confidence, and that she must now embark on a large new scheme of rearmament.

Liberals had one crumb of comfort in the last months of 1935 and that was the triumph of the Liberal party in Canada and the return to power by an immense majority of its famous leader, Mackenzie King. Whether Liberalism was dead in Great Britain or whether, as some said, the British people had absorbed so much of it that a Liberal party was no longer necessary, remained a subject for meditation at the end of the year. The Liberals were convinced that their party would survive and announced their determination to take up the struggle again with the same determination as after their debacle in 1918.

BOOK SIX
LEAGUE OF NATIONS, EMPIRE AND
COMMONWEALTH
1918-35

CHAPTER IX

DISARMAMENT AND THE LEAGUE OF NATIONS

1926-1935

I

THE history of foreign policy in the last years of this period is mainly that of Disarmament Conferences and their failure under stress of the rising nationalist spirit in Germany and the consequent fears of other countries for their security.

The general belief in Europe in the spring of 1926 was that the Locarno Treaties would be followed by disarmament. But there were still great difficulties in the way. The main object of the Germans in adhering to the Treaties had been the recovery of their "equality of status," and this, in their view, depended absolutely on obtaining the right to arm. Whether they would exercise it or how far they would exercise it, depended again on what kind of régime would be in power in their country. A democratic Germany might be expected to exercise it moderately; a militarist Germany to acknowledge no limit but its own capacity. Among the ex-Allies some were for doing everything possible to give satisfaction to a democratic Germany which they hoped would be a peaceful Germany, while others insisted that the Germans were not to be trusted and that to disarm for the benefit of a supposed democratic Germany would be to place her neighbours at the mercy of a militarist Germany. On the whole British opinion was of the former and French of the latter persuasion. "We know the Germans as you do not," said the French to the British. "Again and again they have invaded and devastated our territory and they will do so again if they are given the chance. We must be given security before we can take the risk of disarming."

The conflict between these two ideas continued incessantly during

the next seven years. Security, said one side, must precede disarmament; security, said the other, is impossible without disarmament. Security, as the French understood it, meant the maintenance of the Treaty of Versailles and a firm resolve on the part of the signatory Powers to resist any revision of it which might increase the power of Germany; security, as the British understood it, required concessions to Germany which would by degrees wipe out the memories of the war and enable her to join the other Powers in guaranteeing the peace. In French eyes the minimum condition of disarmament on any serious scale was the adhesion of Great Britain to the Protocol of Geneva, interpreted as a firm pledge to resist Germany whether she broke out in the East or in the West, whereas Locarno limited British intervention to the West and did not close all loopholes even on that.

2

The Disarmament Conferences of these years did little more than register the varying phases of the debate on these points. The details are voluminous and bewildering and nearly all, from the historical point of view, unimportant. In the spring of 1926 the League of Nations appointed a Preparatory Commission for Disarmament which went laboriously to work, but so slowly that the Germans became restive, and at the meeting of the League Council on July 19, 1927, demanded that a Disarmament Conference should assemble within twelve months. Under this spur the Commission produced a draft Convention in the following November, but this was little more than a tabulated statement of the differing views of the leading Powers presented in the form of alternative articles. France insisted that her trained reserves should not count in any proposed reduction of effectives—an idea which was naturally rejected by Germany and disliked by Britain. Britain wanted each category of naval armaments to be limited, France wanted the limitation to be of total tonnage with freedom to apply it as she chose. To this the British Admiralty objected that France would be able to build large numbers of submarines, to which, having exhausted their tonnage on battleships and cruisers, they would have no reply. Similarly some wanted aeroplanes to be limited by numbers and others by engine-power. All consented "in principle" to the proposition that military and naval

budgets ought to be limited, but on what basis and how they should be compared were questions on which no two were agreed.

In 1927 British and Americans had a conference of their own at Geneva, which France and Italy refused to join, to extend the Washington agreements from battleships to cruisers. The American need was chiefly for large long-range cruisers, the British for a smaller type said to be needed in large numbers to do the police work of the Empire in time of peace. The Americans wanted the same figure of total tonnage for both Powers; the British a special allowance for police cruisers in virtue of their world-wide responsibilities. No compromise could be found between these two points of view; the British thought the Americans very unreasonable; the Americans protested against "efforts to prepare in time of peace for all possible contingencies in war." The conference broke down in confusion and recrimination. Lord Cecil resigned from the Government on the ground that the instructions he had received from his colleagues had hampered him in his efforts to find a peaceful solution; the experts on each side blamed the experts of the other, but were themselves immovable; and it was freely alleged (and afterwards confirmed in the inquiry on the subject by the American Nye Committee) that an agent of American shipbuilding companies had been actively at work behind the scenes, and not on the side of peace. The conference was a warning to both countries that disarmament might be a very explosive subject.

3

In November of the same year (1927) when the Preparatory Commission met again, the Russian Foreign Secretary, Litvinoff, made a sudden and unexpected appearance, as from a trap-door on a stage, and proposed the immediate abolition of all armies and navies. Humanity, he said, required a drastic remedy, and Soviet Russia was ready to show the way. He added, however, that as a concession to the weaker brethren, his country would for the present accept a 50 per cent. reduction, and expressed his deep regret when this too proved unacceptable. This gesture put Russia in a favourable light with Socialists and pacifists in many countries, and its rejection reinforced their belief that capitalism was the cause of war. Russia could

now with a clear conscience continue the development of her Red Army.

In 1928 the American Secretary of State, Mr. Kellogg, launched—it was said at the time on the suggestion of M. Briand—what came afterwards to be known as the Kellogg Pact, or Pact of Paris, whereby the nations adhering to it “solemnly declare, in the names of their respective peoples that they now condemn recourse to war for the solution of international controversies, and renounce it as an instrument of national policy in their dealings with one another.” From henceforth the High Contracting parties agreed that “the settlement or solution of all disputes or conflicts, of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means.”

All the Powers adhered to this declaration, Great Britain after some delay in which she made a reservation for “certain regions of the world, the welfare and integrity of which constitute a special and vital interest for our peace and safety.” She accepted the pact “upon the distinct understanding that it did not prejudice her action in this respect.” Having a similar reservation in mind in virtue of their own Monroe doctrine, the Americans raised no objection to this condition.

There was general rejoicing at this “outlawry of war,” as it was called, but little recognition of its revolutionary and far-reaching consequences if it were seriously meant. No nation up to this time could honestly say that it had not regarded war as an instrument of national policy; throughout the nineteenth century and up to the Great War all the European nations—and Great Britain not least—had accepted and acted upon the German doctrine that war is a “continuation of policy.” If the contrary doctrine was now honestly and universally accepted, and no disputes were to be settled except by pacific means, the greatest and most beneficent change in human history would have been accomplished at one stroke.

One of the consequences should have been to bring the debates at Geneva to an early conclusion. Having renounced war, the nations should have leapt to the opportunity of disburdening themselves of weapons, the use of which, for any but strictly defensive purposes, had thus been branded as criminal. That thought occurred to none of them. Kellogg Pact and disarmament remained in separate com-

partments and the debate continued as before. In 1928 the British and French made, or endeavoured to make, a separate arrangement whereby the former gave way on the French contention that trained reserves should not count in the computation of land forces, and the latter conceded the chief points in the British naval argument. News of this brought strong protests from the United States and Italy and no more was heard of it. In 1929 MacDonald, who was now Prime Minister, thought with reason that some action should be taken by somebody, and in October he visited the United States where he prepared the ground for a five-Power Naval Conference between Britain, the U.S.A., France, Italy and Japan. This was held in London in January of the following year (1930) and was relatively successful. It prolonged the Washington agreements until 1936, arrived at a compromise on the cruiser question which France as well as Britain and the United States accepted, but left the questions between France and Italy undecided.

Nearly four years had now elapsed since the signing of the Locarno Treaties, and when the Assembly of the League met at Geneva in the summer of 1930 the German delegates said firmly it was time that the Preparatory Commission finished its work and that the promised Disarmament Conference were summoned. Under this spur the Commission produced a draft Convention for the consideration of the Conference to the League Council in January of the following year (1931), and after further consideration behind the scenes, the Disarmament Conference was summoned to meet in February, 1932. Very courageously, Mr. Arthur Henderson, now out of office after the fall of the Labour Government, undertook to preside over it.

4

Events in Germany had not waited on this time-table. In September, 1930, the Nazis had had an astonishing success at the elections for the Reichstag, and by February, 1932, Hitler was rapidly winning his way to power. All parties were now in a position to say "we told you so"—the British "we told you, if you delayed, you would be faced with a new and militarist Germany," the French "we told you that the military spirit was rising in Germany and that it would be folly to disarm while she was secretly re-arming and would presently

appear in her true colours as a threatening military Power." Which ever was right, the new spirit in Germany was a heavy blow to the Disarmament Conference. Less than ever was it probable that France would make the concessions necessary to meet the German demand for "equality of status," or the Germans be content with anything less. For the next twelve months the Conference marked time by "exploring the avenues" and examining the Draft Convention which was little more than a surveyor's schedule in which the figures and quantities were left blank. It contained, however, a challenge to Germany in its Clause 53 which stipulated that nothing contained in it should affect "the provision of previous Treaties under which certain of the High Contracting parties have agreed to limit their land, sea or air armaments." The Germans said not unnaturally that this was tantamount to making them sign the Treaty of Versailles over again. Had it consented to this, the tottering Republican Government would have signed its own death-warrant and, on the other Powers insisting, Germany withdrew from the Conference.

The autumn of 1932 was occupied with diplomatic wrangling about "equality of status" and recriminations between Germans and French, in which the former claimed that the failure of the Allies to disarm constituted a breach of the Treaty of Versailles which released her from the obligation to remain unarmed, and the latter retorted that Germany herself had failed to keep the Treaty. The British Foreign Office made an unhappy contribution to this debate by a Note which appeared to argue that the terms of the Treaty did not give legal effect to the moral obligation which was universally acknowledged. This was afterwards explained away, and the Government made amends by a promise that the principle of "equality of status" should be embodied in the final draft of the Convention—whereupon the Germans returned to the Conference.

5

The decisive fact for the following year (1933) was the triumph of Hitler in Germany on March 5. Eleven days later MacDonald himself attended the Conference and made a heroic effort to bring it back to business. On behalf of the British Government he tabled a new draft Convention, this time with the blank spaces filled in and

definite proposals put forward, for the limitation of land forces and of the size of guns and tanks, and for the abolition of military aircraft and aerial bombing. A reservation in the last of these proposals retaining bombing for outlying and uncivilized regions detracted not a little from its impressiveness in the eyes of the other Powers, which observed that Great Britain very often made reservations which were obviously for her own convenience. For a time Hitler was on his good behaviour *vis-à-vis* the Conference, but his proceedings in Germany were week by week increasing the alarm about his ultimate intentions and stiffening the backs of the other Powers against the concessions that he required. Refusing to give up hope, Henderson, the President of the Conference, went a round of the European Foreign Offices during the summer in a last effort to reconcile their differences, but when the Conference resumed in October it very soon became evident that he had not succeeded. All the old wrangles were repeated, and a British effort to propitiate the French by introducing a probationary period of four years before reduction should begin or Germany re-arm, brought the proceedings to the now inevitable breaking-point. Denouncing this as a proof that the ex-Allies had no serious intention either of disarming or of granting Germany equality of status, the Germans walked out of the Conference, and this time gave notice to quit the League. In the subsequent months Sir John Simon and Mr. Anthony Eden visited Paris, Berlin and Rome in the hope of gathering up the fragments and piecing them together, but, though they were said everywhere to have had friendly receptions, the result was nil. The governing fact was now that Germany had defied them all and was openly increasing her armaments in the teeth of the Treaty of Versailles. Security, said the French, was now the only consideration, and discussion led nowhere but to angry recriminations in which British, Germans and French accused one another in turn of having broken faith. The details are squalid and may be passed over.

6

Wearied of the subject and finding its technicalities beyond comprehension, the public in all countries accepted this conclusion as inevitable. By this time the possibilities of air warfare had come to overshadow all

other aspects of the armament question. If the half that was claimed for this new weapon was justified, it seemed to the non-military mind that the greater part of the Geneva debate on the older weapons was of little importance. The best prepared, according to the Geneva standard, might be wrongly prepared and at the mercy of the worst prepared, as the Conference reckoned preparedness. This thought gradually filtering into the minds of Governments and peoples was profoundly to affect diplomacy in the coming years. There was now, it seemed, no standard of power on which any of them could rely, no certainty about the result of any appeal to arms which any General Staff could guarantee. The strongest, according to the Conference standards, hesitated to stake their strength on the doubt; the weakest, if they chose to develop their air-arms, might have the strongest at their mercy. The presumption on which the old diplomacy had worked that victory could be assured by a given superiority of land and sea forces was shattered and there was as yet nothing to take its place. Diplomacy is seen from this time forward very literally in the air.

7

There remained the League of Nations. Its permanent position as keeper of peace between its members depended on disarmament, and its influence was bound to suffer so far as that failed. But it had in the meantime suffered another heavy blow in its most vulnerable part—the application of its “sanctions,” or penalties for the breaches of its Covenant. This came from the Far East, where the Powers had taken for granted that their authority would be sufficient to enforce the agreements entered into at the Washington Conference limiting their own mutual rivalries and Japan’s ambitions in China. When the war ended, they had compelled Japan to evacuate Shantung and the Siberian Provinces of Russia, but they left her “special position” in Manchuria unchallenged, gave her certain islands in the Pacific, and pledged themselves not to fortify islands or other positions in their own control which might serve as advanced bases against her. At the same time Great Britain wound up her own special Alliance with Japan which now entered the Four-Power Alliance, whereby Great Britain, the U.S.A., France and Japan, pledged one another to

respect their possessions in the Pacific and laid down that any disputes between them should be submitted to a joint conference. Under both Treaty and Covenant Japan had thus bound herself to the method of joint conference.

From the beginning the military party in Japan regarded these arrangements as a serious set-back to their ambitions, though accepting as valuable compensation the pledge of the other Powers not to provide themselves with advanced fortified bases. They now set themselves to consolidate their position in Manchuria with a view to future action at a favourable moment. This moment seemed to them to have come in 1931 when the Western world was plunged into an economic crisis which seemed to occupy all its thoughts. In that year they started driving Chinese troops out of Manchuria on the plea that it was necessary to restore order supposed to be threatened by bandits. There followed an outbreak of anti-Japanese feeling at Shanghai which gave them a pretext for landing an expeditionary force and shelling and bombing that place, whereupon China appealed to the League of Nations on the ground that one member of the League was attacking another in violation of the Covenant.

Japan withdrew from Shanghai, saying that she had achieved her purpose, but not before she had inflamed opinion against her all over the world. Demands that the League should act now rose from all countries, but specially from Great Britain and America. To these Japan replied by unofficial intimations that she would regard any action taken under Article XVI of the Covenant as acts of war. The League thereupon played for time and appointed a mixed Commission, with Lord Lytton as Chairman, to investigate on the spot. It went in February (1932) and returned in October with an admirable and comprehensive Report signed by all its members. This proposed that Manchuria should remain under Chinese sovereignty but with a large measure of autonomy in which she should be assisted by foreign advisers. Since the Commission recognized the special interests of Japan, while condemning her methods, the door was thus left open to giving her, through the appointment of the foreign advisers, much the same position as Great Britain had occupied in a nominally autonomous Egypt under the suzerainty of Turkey.

While the Commission was at work, Japan was hastening to con-

front the League with accomplished facts. In July she announced that Manchuria had broken away from China and constituted itself the independent State of Manchukuo, and in the subsequent three weeks she reported that she had "recognized" this new State and concluded a defensive alliance with it. By December, when the Lytton Report came up for consideration by the Committee which the Assembly of the League had appointed to deal with it, she had so effectively dug herself in that it was extremely improbable that she would go out unless turned out.

The League used high language about these proceedings, but while its Commission was debating, Japan took the further step of invading the Province of Jehol, thus practically intimating that she meant not only Manchuria but all China north of the Great Wall to come under her sway. There was anger at Geneva, and when the Assembly met in February it persisted in its view that the question should be settled in the manner provided in the Covenant and on the basis of the Lytton Report, whereupon the Japanese representative gave notice of Japan's withdrawal from the League. He was not defiant, he was only pained that his country should be so misunderstood—that she should receive so little consideration of her intentions and her essentially civilizing proceedings from the Christian European Powers.

What next? Sanctions, said a multitude, if not military sanctions then at least economic sanctions, which the best opinion in 1919 had supposed could be enforced without recourse to war. Japan smiled inscrutably, but managed to convey to the Powers that she did not acknowledge the distinction between an economic and any other blockade, and to remind some of them that they held unguarded outposts upon which retaliation might be swift and easy. The possibility of such a situation arising had evidently not occurred to these Powers when they pledged themselves in 1923 not to fortify advanced bases in the Pacific, but it had very seriously to be considered now. If any military operation might be considered physically impossible, it was that of going to war with Japan without such bases, however great on paper might be the preponderance of the attacking force or forces. It was at all events an undertaking of immense hazard on which no Power could be expected to embark its fleet except on the direst compulsion.

To say that the Powers had deliberately bluffed would be to misunderstand the course of this affair. They had followed faithfully

the procedure laid down in the Covenant and assumed that Japan would withdraw in face of a unanimous verdict of the other nations, or, if not, that economic sanctions without war would meet the case. But it now appeared that Japan had banked from the beginning on her belief that her position was impregnable and that there was no way of hindering her except by a war in which all the advantages would be overwhelmingly on her side. To proceed to this extreme would have been a quixotic act to which one nation, pressed beyond endurance on a point of honour or vital interest, might have been driven, but of which the nations collectively were certainly not capable in defence of anything so abstract as the principles of the League. At this point Japan was in a position to turn all their remonstrances into a bluff, which she could safely call. She did call it and they retired in silent discomfiture, while she completed the tragi-comedy by discovering a descendant of the Manchu dynasty which had been expelled from China twenty-three years earlier—a Mr. Pu Yi—and installing him as Emperor of Manchukuo (March 1, 1934).

8

Disastrous as was the example set in the case of Japan, it might still be regarded as an exception in a distant region, in which geography and circumstances precluded action, to the normal processes of the League. That excuse could not be pleaded in the case of Italy which in the autumn of 1935 attacked Abyssinia, a fellow-member of the League, and persisted in 1936 to the point of conquering and annexing it in the teeth of the League's remonstrances and such economic sanctions as it could be induced to apply. In this case it was the tangled situation in Europe which paralysed action. The League for the purpose of coercing Italy was only France and Great Britain, and of these two France walked in fear lest Germany should take advantage of the situation to invade Austria or assert herself on the Rhine, and desired at all costs to maintain the "Stresa front," i.e. the co-operation of Italy with herself and Britain established at the Stresa Conference in June, 1935. Between Britain, who announced that she would not fight Italy single-handed, and France, who let it be known that she would not fight at all, Signor Mussolini had a comparatively easy task in defying the League, and since British statesmen had been most

fervent in denouncing his proceedings the main discredit for the failure fell on them. Hitler in the meantime had given the French some justification for their attitude, by taking advantage of the situation, as they predicted he would, to march his troops into the demilitarized area of the Rhineland.

Two conclusions seemed to follow from this experience, first that when a war has once broken out, it cannot be stopped by any measure short of another and perhaps greater war; second that, while Germany remained outside the League and her action uncertain, it was impossible for France and Britain to act wholeheartedly together in defence of the Covenant. By the summer of 1936 it seemed to be the special task of British statesmanship to build a bridge between France and Germany, and Mr. Eden was at work exploring the conditions which Hitler proposed for the return of Germany to the League. There was much talk about "reforming the League," but it was becoming clear that no change in its statutes or machinery would avail, if Germany stood aloof and the feud between her and France remained unhealed. That great central schism was thus still under the new order as under the old diplomacy, the main problem of European and even world peace.

POSTSCRIPT.

A few points may be added from certain books and documents which have been published since the foregoing pages were in type. The penultimate volume of the *British Documents* (Gooch and Temperley, Vol. X, part 1) brings out the difficulty in which Grey was placed with Russia by the action of Mr. Morgan Shuster, the American who was appointed to reorganize Persian finances, in 1911. Grey had no doubt that Shuster was a single-minded man, whose "aims were admirable and just," but he was obliged to admit that the appointment by him of a British officer to an administrative post in what had been acknowledged as the Russian sphere of interest was contrary to the spirit, if not actually to the letter, of the British-Russian Convention. He did his utmost to compose the quarrel, but when it became clear that a Russian occupation of Teheran could only be avoided by Mr. Shuster's departure, he submitted to it as, in his own words, "the lesser of two evils."

From the same Documents it appears (Appendix, pp. 901-2) that Turkey did actually, as was rumoured at the time, propose an alliance with Great Britain in June, 1913, and that the answer given to her was that she should seek an amicable arrangement with all the Powers rather than an alliance with one Power. The proposal was never taken seriously by the British Government, which could not have concluded an alliance with Turkey in 1913, and in the following year have fought a war in alliance with Russia, which made domination of Constantinople and the Straits her principal war-aim.

Extracts published in the *Daily Telegraph* during the spring of 1936 from Mrs. Dugdale's "Life of Lord Balfour" bring out the great importance of the part played by Balfour in Imperial and foreign affairs, not only when he was in office, but as a member of the Committee of Imperial Defence up to and after the outbreak of the Great War. Mrs. Dugdale incidentally supplies a new fact about the displacement of Asquith and the fall of the first War Coalition in December, 1916. This is that though he was ill at the time and did not convey his opinion to his Conservative colleagues, Balfour had quite early in the day (Sunday, December 3, 1916) "made up his mind to back Mr. Lloyd George by every means at his command." He nevertheless on the following day (December 4th and 5th) tendered his resignation to Asquith on the ground that he knew himself to be unacceptable to Lloyd George, and that "attempts to compel co-operation between Lloyd George and fellow-workers with whom he is in but imperfect sympathy will only produce fresh trouble." Asquith interpreted this—it now seems wrongly—as a quixotic attempt to help him in his difficulties with Lloyd George, and on that supposition strongly urged Balfour to remain. Asquith was beyond doubt greatly astonished when later he discovered that Balfour was "backing Lloyd George."

The second volume of Mr. Duff Cooper's biography of Haig adds further evidence about the pressure brought to bear on the British Commander-in-Chief—to keep attacking at Passchendaele "in order to preserve the French army," and shows the importance of Haig's initiative in winning the war in 1918, when nearly all other authorities, military and civil, were convinced that it could not be won until 1919 or even 1920.

CHAPTER LXI
EGYPT AND THE MIDDLE EAST
1919-30

I

THE story has been related consecutively up to this point, but there remain certain subjects of great importance in these years which need the separate treatment that is given them in this and the three following chapters.

When the Turks threw in their lot with the Central Powers in November, 1914, Egyptians, being still in theory subjects of the Sultan of Turkey, became automatically "enemy aliens." How to regularize their position became an immediate problem for the British Government, which decided, after some hesitation, to proclaim a "Protectorate" over the country. There were voices in favour of annexing it, but there were many and obvious objections to going this length. Since the conclusion of the Entente we had been under a pledge to France not to disturb the legal *status quo* in Egypt, and to take advantage of the war to override this would be to give legitimate offence to our principal Ally. Even more important, annexation would have created a dangerous unrest, if not actual rebellion, in Egypt itself and probably have alienated Moslem opinion in India and all over the world. "Protectorate," on the other hand, was a vague term which could be reasonably justified as a wartime expedient, and, being accompanied by a promise to reconsider the whole position after the war, it served its purpose.

In December, 1914, it had been found necessary to depose the Khedive Abbas Hilmi, whose loyalty had been questioned before the war and who, by prolonging a stay in Constantinople after the Turks had entered the war, laid himself open to the suspicion of having thrown

in his lot with them. His uncle, Huscin Kamel, accepted the succession and was given the title of Sultan of Egypt. Huscin proved a good friend to Great Britain and helped greatly to reconcile Egyptians to the use which was made of their country during the war. Egyptian acquiescence in British operations made it easy to repel the one and only attempt by the Turks to cross the Suez Canal, and made the country a safe base for campaigns in the Near and Middle East.

Unfortunately, Huscin died in October, 1917, and since his son, Prince Kemal ed Din, declined the succession, it passed to Prince Fuad, the sixth son of the famous Ismail. Fuad, who had been educated in Italy, had less influence with the Egyptians and could not be relied upon to mediate between us and them. Friction and misunderstanding increased from now onwards. When the war ended Egyptians expected to be thanked for their services, which had been real and important, and they looked eagerly to the redemption of the promise that their relations with Great Britain would be reconsidered and their rights restored. The thanks were forgotten, and the British seemed to be tightening their grip. Before the war the British representative in Egypt was simply Agent-General, and in legal status no more than the doyen of the diplomatic and consular service; after it he was "High Commissioner," a man of the highest military rank, administering something called a "Protectorate." At the moment Egypt swarmed with British troops and British officials; it was said to be "the paradise of the demobbing officer," and far too many were in fact given appointments in the country, to the great dissatisfaction of young Egyptians who saw themselves excluded from posts in their own country, the salaries of which were paid by Egyptian taxpayers.

Many other grievances were now remembered and some invented. The Fellahin complained that their beasts and fodder had been taken from them without proper compensation, and that they themselves had been compelled to serve in the labour battalions of the Palestine Expedition, in spite of the promise that they would not be drawn into the war. Agitation rose to boiling-point in the three months following the Armistice. The Nationalist leader Zaghlul launched a programme of "Complete Independence" which was rejected out of hand by the British Government. This was expected, but unfor-

tunately at the same time British Ministers greatly wounded Egyptian pride by requesting the two Egyptian Ministers, Adly and Rushdy, who had proposed to come to London to discuss the situation, to defer their visit to a more convenient season. To Lloyd George and his colleagues, absorbed in the great affairs of the Peace Conference, the troubles of Egypt seemed remote and relatively unimportant, but that this was so evidently their opinion increased the offence in Egyptian eyes. Adly and Rushdy resigned and the extremists became so formidable that British Ministers were obliged to look up and take notice. Zaghlul was arrested and deported to Malta, whereupon rebellion broke out in all parts of the country. British soldiers and civilians were attacked at Tanta, a British Inspector of Prisons, two officers and five other ranks murdered by a fanatical mob at Dairut Station. Railway lines were torn up, telegraph wires cut, and for a few days Cairo was isolated and foreigners were blockaded in Upper Egypt.

2

Lord Allenby, the Commander-in-Chief, who was on his way to Europe, was ordered to return at once and take up the duties of Acting High Commissioner with instructions to restore order. Thus he did without much difficulty, and, having dealt with the immediate emergency, showed a wise moderation in inflicting penalties. But the country was still smouldering with discontent. British inspectors went in peril of their lives; students and young men from the mosques were all over the country preaching sedition, and Egyptian officials threatening to strike. It was clear by this time that if the British Government had said its last word, a much larger force than had ever been contemplated would need to be kept in the country and much stronger measures taken than had yet been applied. It was the old dilemma of coercion and conciliation.

Allenby advised conciliation. He knew that the Egyptians had real grievances which had been seriously mishandled, and he was able to speak with a stronger voice than his predecessor, Sir Reginald Wingate, whose warnings had been disregarded. The Government responded by announcing its intention to send out a special Mission under Lord Milner, who was then Colonial Secretary and earlier in

his career had been Financial Adviser to the Egyptian Government. This Mission was to inquire into the question of the "Protectorate" and to advise in what way it would be made acceptable to the Egyptian people. The Mission was appointed in April,¹ but there was another long delay and it did not appear on the scene before November, by which time the situation was certainly no better. Arriving in Cairo the Mission found itself completely boycotted by the Nationalist parties. The hotel in which it was lodged was surrounded by troops with machine-guns at hand, the windows were boarded up lest it should be sniped from the streets, and its members were forbidden to go out unless accompanied by detectives. The order had gone out that no Nationalist was to appear before it or enter into communication with its members on pain of the severest penalties. These were no idle words. Two Ministers who broke this embargo had bombs thrown at them and barely escaped with their lives. The member of the Mission whose duty it was to visit Tanta found himself in a scene of riot and bloodshed in which many were killed or wounded.

The friendly Egyptians—and there were not a few who braved all consequences to show their friendliness—were unanimous that the word "Protectorate" was fatal. No one would listen to any proposal for prolonging the "Protectorate." The Mission had to decide whether it would return home and report this simple fact, or enlarge the scope of its inquiry to cover the possible ways of reconciling British and Egyptian points of view, and Milner unhesitatingly decided to do the latter. He and his colleagues were convinced by this time that the situation was far more serious than the Government at home was at all aware of; that the Nationalist movement was genuine and passionate; and that, though its suppression was possible at a cost, the cost would be heavy and the task dangerously invidious for a Power with an immense number of Moslem subjects.

The door was now partly opened, and discreet communications became possible with the Nationalist leaders. For the next four months the Mission explored the whole situation in Egypt and the Sudan and prepared reports on most Departments of the Govern-

¹ The mission consisted of Lord Milner, Chairman; Sir J. Rennell Rodd, Gen. Sir John Maxwell, Brig.-General Sir Owen Thomas, Sir Cecil Hurst and Mr. J. A. Spender.

ment. The Nationalists were now in a more conciliatory mood and after a little diplomacy Zaghul brought a delegation to London to confer with the Mission on its return from Egypt. Argument was long and stubborn, but by mid-August agreement appeared to have been reached, and Milner presented the Cabinet with a memorandum (afterwards embodied in the Report of the Mission) setting out its main features. In brief it proposed that a treaty should be concluded between Great Britain and Egypt in which the former recognized the independence of Egypt in all matters of internal government, and the latter accepted certain reservations, of which the principal were the maintenance in the country (but not stationed in Cairo) of a British force to guard the Suez Canal and imperial communications, the control of foreign policy by Great Britain, the appointment of Financial and Judicial Advisers, the British guardianship of foreign interests and right to intervene if the legislature should operate unfairly against them. The Mission had reached its conclusions after a long and patient inquiry spread over twelve months, and none of its members was more convinced than Milner himself that its proposals represented the necessary give and take if British policy was not to be a forcible suppression of Egyptian Nationalism.

But the Memorandum came like a bombshell to the Cabinet, which had expected something quite different from Milner. He had informed his Cabinet colleagues of the proceedings of the Mission up to the time of its return from Egypt, but not, apparently, of the course of the negotiations in London, and the drastic nature of what was now proposed took them completely by surprise. Many of them had fallen into the habit of thinking of Egypt as a British possession, and were wholly unaware of the scrupulous care which Cromer and his successors had taken to preserve the theory of her independence and autonomy during the years of occupation, unaware that even now Egypt had an Egyptian Government and an Egyptian Prime Minister. To all these it seemed as if they had suddenly been asked to abandon a valuable and integral part of the Empire, and they argued that the Mission had gone outside its terms of reference and that they were in no way bound by its conclusions. The Prime Minister was hostile; Churchill hot in opposition; Curzon almost alone in recommending "favourable consideration."

3

The Mission had hoped that Milner would be authorized to return to Egypt and negotiate a treaty on the lines proposed, but this was evidently past praying for. Instead he resigned, pleading health and fatigue, and the Report was hung up and in effect vetoed. Success depended on rapid action, for on their side Egyptian extremists were complaining that Zaghlul had conceded too much, and when the Cabinet delayed he declared them to be incorrigible and again took to the war-path. The situation was now worse than ever. The Cabinet had published the Milner Report but refused to act upon it; agitation and more agitation was now the cry of Egyptian Nationalists. Under Curzon's influence Ministers so far relented as to invite the Sultan of Egypt to send a delegation to London for further negotiations "on the basis" of the Report, and this time made the admission that the "Protectorate" was not a satisfactory solution of British-Egyptian relations. Three very distinguished Egyptians, Adly Pasha, the Prime Minister, Rushdy Pasha and Sidky Pasha, came in the summer of 1921, but once more a majority of the Cabinet vetoed concessions which Curzon was willing to make. The negotiations broke down because, as Curzon put it, "Adly Pasha dared not concede anything from fear of the extremist or Zaghlul party in Egypt, whereas my instructions rendered it impossible for me to meet him on many of the points on which he was disposed to insist." It may be added that the Cabinet was now in the last throes of the struggle in Ireland and was fearful lest a taunt of a "surrender" in Egypt should be added to that of a "surrender" in Ireland.

But events in Egypt would not wait on the convenience of British politics. In January, 1922, Allenby, the High Commissioner, reported that the situation was becoming impossible. Adly Pasha had resigned on his return to Cairo; Egypt was without a Prime Minister or Government; the only Egyptian who was ready to undertake the task stipulated that the Protectorate should be abolished before he took office or started fresh negotiations. Being convinced that no settlement was possible except on these lines, Allenby asked that he might be authorized by telegram to effect a settlement on this basis and on receiving a doubtful answer tendered his resignation. Allenby

was now summoned to London and after what Curzon's biographer described as "prolonged conversations between him and his advisers on the one hand and Lord Curzon and the Prime Minister on the other,"¹ the Cabinet gave way, while repeating the reservations proposed in the Milner Report. In a "declaration" addressed to the Sultan of Egypt on February 28, 1922, the British Government declared the Protectorate at an end and Egypt to be "a Sovereign Independent State," with the stipulation that the *status quo* should remain unaltered until agreements had been arrived at on the security of British communication, the defence of Egypt against foreign aggression or interference, the protection of foreign interests, the protection of minorities, and the position in the Sudan. At the same time Sultan Fuad assumed the title of His Majesty King Fuad and proclaimed Egypt a monarchy. On March 14 Parliament approved the Proclamation by 202 votes to 77, but not before it had been sharply criticized.

Curzon had warned the Cabinet of the consequences when they rejected his proposed settlement with Adly in the previous November, just as Milner had warned them when they rejected his Report. It was now any port in a storm. The "Sovereign Independence" which the Milner Mission had proposed as part of an all-round settlement to which both parties would be pledged, had been thrown to the Egyptians without exacting any promise on their side to accept the reservations. Curzon could say "I told you so," but he could scarcely escape responsibility. For, though convinced, as his biographer tells us, that without settlement Egypt would become another Ireland, and though he had behind him the unanimous Report of the Milner Mission and was supported by the High Commissioner and his advisers on the spot; he yet accepted instructions from his colleagues which tied his hands and brought about the rupture that he predicted.

The proclamation was a salve to wounded feelings and prevented another rebellion. Zaghlul, who had been interned at Gibraltar, was released unconditionally, and Egyptian activities were now diverted to the framing of a Constitution. This led to sharp struggles between the King and the politicians, with the British Government on guard to see that the reserved questions were not invaded. At the

¹ Curzon, "Life," Vol. III, p. 250.

first elections Zaghlul and his party were returned by an immense majority and he proceeded to form a Government.

4

But another storm was now blowing up. The Egyptians who had accepted without demur the decision of the Milner Mission that there should be no disturbance of the *status quo* in the Sudan, had now discovered that the maintenance of their rights in that region was an essential part of their sovereignty and professed to believe that these rights were threatened. If ever there was a question on which it was wise to let sleeping dogs lie it was that of the Sudan. British effort had reconquered that country and prevented it from being a menace to Egypt; British officials administered it with remarkable success; Egyptians seldom went there and were reluctant to settle or serve there. Egyptian rights seemed sufficiently acknowledged in the fact that the British and Egyptian flags flew together in the Sudan. The Egyptians could make a *de jure* case from past history, but the *de facto* situation rested on British rule and British enterprise, and, if it were disturbed at all it could certainly not be by diminishing British authority.

All this seemed like common sense, but the Sudan was now on the banner of the Nationalist party and the cry that the British were going to filch the Sudan swept through Egypt, producing a new fanatical movement which Zaghlul, being unable to control, was obliged to lead. He had built high hopes on the return of the Labour party to power in England, but when he came to London in October, 1924, he found the Prime Minister, Ramsay MacDonald, as firm on the Sudan question as any of his predecessors and returned to Cairo in an angry mood. Feeling rose high among the extremists, and on November 19 Sir Lee Stack, the Governor-General of the Sudan, who happened to be visiting Cairo, was assassinated in the public streets.

Confusion and bitterness followed. The British Government were bound to take strong measures for the suppression of the murder gang in Egypt, but in requiring the withdrawal of Egyptian officers and units from the Sudan and threatening to divert the Nile for the irrigation of the Sudan cotton plantations, it alarmed moderate Egyptians and appeared to justify what the extremists had alleged about British

policy. It was now more difficult than ever to find a formula for the settlement of the Sudan question, and it proved fatal to two further attempts (1927-8 and 1929-30) to negotiate the desired treaty. Henderson, the Labour Foreign Secretary, came nearest success on the latter occasion, but there was a point at which, like MacDonald in 1924, he was obliged to stand firm for British rights.

These agitations and the tumults accompanying them proved fatal to the orderly development of self-government in Egypt. The story of the next few years is that of obscure intrigues between the King and the politicians, perpetual suspensions of the Constitution, sudden crises in which the British High Commissioner intervened and cruisers were dispatched to Alexandria, long periods in which he washed his hands and declared himself a neutral spectator of events. Skilfully manœuvring between the parties, King Fuad endeavoured to establish Palace rule conducted in the Oriental way for his own benefit and that of his favourites. Thirteen years after the proclamation of independence many Egyptians were left complaining that British policy had delivered them over to the arbitrary rule of an unpopular sovereign, which they would not have tolerated if they had been in reality a free people.

5

In the circumstances it was impossible to say that Egyptian self-government had either succeeded or failed. From the beginning the unsettled reserved questions had hung over the scene, keeping Nationalist agitation alive, diverting politicians from their domestic affairs, discrediting all the leaders, as one after another returned baffled from London. Experience showed the extreme difficulty of any settlement unless it was worked with good-will by both parties. The British High Commissioner might declare himself neutral, even pride himself on not interfering with Egyptian affairs, but so long as he sat in the Residency with British troops at his disposal and put his veto on any movement likely to disturb order, he seemed to Egyptians to be throwing his ægis over forms of government which, if left to themselves, they would speedily have brought to an end. Great Britain, they said, so long as she exercised this power, had the duty of

protecting them from the abuses and corruptions of their irremovable rulers.

This was the logic of the situation and it could not be evaded. Great Britain in Egypt can never be a neutral spectator of events. Since her own vital interests prevent her from evacuating the country and compel her to keep order in it, she is obliged to be at least the *amicus curiae* in all Egyptian affairs. A lasting settlement can only come when this is recognized on both sides. Such a settlement is by no means impossible. It requires that the British representative should be accepted as in the true sense of the word an "adviser"—the title given for so many years to the principal British officials in Egypt—that he should take his duties seriously in that respect, but otherwise leave the internal government of their country to Egyptians. In spite of all that has happened there is no deep-seated antagonism between Egyptians and Britain. Egyptians are aware that if Great Britain evacuated their country they would almost certainly fall into the hands of some other European master, and probably one who would be less willing to recognize their rights and consider their feelings. This is the penalty they pay for the geographical fact that their country lies across the great highway from Europe to the East. That has immensely increased their prosperity, but it entails disadvantages from which there is no present escape.

6

T. E. Lawrence's dream of a great Arabia with Damascus as its capital was shattered in 1920 when the Supreme Council decided that the mandate for Syria should be given to France, in accordance with the Sykes-Picot Agreement, and the French proceeded to drive Feisal, who had been proclaimed King of Syria, from Damascus. Lawrence fought in vain against this conclusion, which he regarded as a desertion of his Arab friends and a betrayal of the promises which he had been authorized to make to them during the war, and the British Government resisted it as long as it could. But by this time it had been decided that Great Britain should receive the mandate for Palestine and Iraq (as Mesopotamia was now called) and these alone presented sufficiently difficult problems. Iraq was for a long time in a state of confusion. The Turks still threatened it in the Mosul region and an

expedition was needed to dispose of them ; ardent Nationalists were demanding "complete independence" and the abrogation of the mandate. Sir Percy Cox, the British High Commissioner, handled the situation with great skill and good judgment, and the Amir Feisal was consoled for his rebuff in Syria by being elected King of Iraq. The mandate was not popular in England, and many complaints were made in Parliament and at election times of its cost and liabilities, to which the Government replied by promising that it should be wound up at the earliest possible moment. It was wound up in 1925 when a treaty was concluded between the two countries under which British responsibility was to cease in 1928 and Iraq to be recognized as an independent country, subject to certain stipulations for law and order and guarantees of British rights. There remained the outstanding question of Mosul which the Turks claimed but the League of Nations assigned to Iraq. This caused a rather sharp crisis with the Turks¹ in December, 1925, but it was settled by paying them reasonable compensation for the oil rights of that region. In later years the Iraq Government incurred deep discredit by employing the Kurds who lived in the Mosul Vilayet to suppress the much-persecuted Assyrian Christians. It excused itself afterwards on the plea that its agents had exceeded their instructions, but the Kurds had shown their quality when let loose on Armenians in the days of Abdul Hamid, and those who employed them must be presumed to have known their zeal in the cause of massacring Christians.

7

When the new map was drawn, the other nations pointed to the enormous areas which had come under British rule or influence and said that Great Britain had, as usual, gone off with the lion's share. But much of this territory was, as the late Lord Salisbury used to say, very thin soil, and some parts of it were not only a costly liability but presented problems of the greatest perplexity. In Palestine the British mandate carried with it the obligation to redeem the promise made to the Jews in the "Balfour declaration," so called because it had been

¹ Some details of this gleaned in a visit to Angora in December, 1925, will be found in the writer's "Changing East," Chap. II, second edition.

put on record in a letter from Mr. Balfour to Lord Rothschild on November 2, 1917 :

His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country.

Had Balfour been a little better acquainted with the conditions of the country he would probably have been rather more cautious in wording this letter. The phrase "national home" raised large expectations among Zionists, many of whom interpreted the declaration as meaning that Palestine was to be converted into a Jewish country ruled by Jews, and were deeply disappointed when subsequent British Governments pointed out to them that it was limited to the establishment of a Jewish national home *in* Palestine and subject to the proviso that the rights of the non-Jewish population should not be prejudiced. The prospect of a large Jewish invasion was regarded from the beginning with great misgiving by the non-Jewish population, both Arab and Christian, and to reconcile the clash of interests between them and the new immigrant population was year by year a task of the greatest difficulty.

Palestine is a country about the size of Wales, consisting in large part of stony uplands which give a scanty living to goats and sheep. Opinion differs as to its ultimate capacity when developed and irrigated, but it is not likely to provide a good living for more than 1,500,000 people in any time that can be foreseen. There are already a million Arabs in the country, and between 1923 and 1933 the Jewish population rose from 83,000 to 230,000. The Arabs are a very prolific people, and their normal rate of increase is considerably greater than that of the Jews, apart from immigration; the pressure to admit Jews was intensified by the anti-Jewish movement in Germany, and the problem has been greatly complicated by the agitation of the "Revisionist" Zionists, who wish the Balfour declaration amended in such a way as to satisfy their demand that Palestine shall be *the* Jewish National Home and all of it open to Jewish exploitation.

The British Government very sensibly appointed Sir Herbert Samuel to be the first High Commissioner, and under his wise and impartial administration trouble was kept under. But even he was unable to induce the Arabs and Jews to work together on the Administrative Council which he wished to set up, and after his departure the situation rapidly became worse. For this the Arabs themselves were partly responsible. Do what the Government might to guard their interests, it could not prevent them from selling their land to the Jews. The price offered for the more desirable lands was beyond their dreams, the temptation for the first time in their lives to handle cash almost irresistible. But the cash was soon spent and a new class of landless Arabs created who became dangerous agitators. In the meantime the Jews seemed to be getting more and more of the best land into their possession—the orange and citron lands of the south, the fertile and well-watered valleys of the north. The new settlers were clever and industrious and well provided with capital; the Arabs were a primitive, largely nomad people content to live on the margin of subsistence.

But the Arabs are also a fierce and revengeful people and in August, 1929, they broke out and wreaked their vengeance on the Jews. The High Commissioner was away on leave, and the British authorities were taken off their guard. A sudden dispute between Jews and Moslems about the "Wailing Wall" at Jerusalem acted as a spark in a powder magazine, and for several days, until reinforcements were brought up, unspeakable atrocities were committed. Women and children were not spared and blood ran in the streets of Hebron. When the end came, 140 Jews and 116 Arabs had been slain, and several of the new Jewish settlements utterly destroyed.

A Commission of Inquiry—the Shaw Commission—was set up and reported, what everyone knew, that the main cause of this outbreak was the fear and suspicion of the Arabs—fear that their country, as they persisted in regarding it, would be filched from them and their way of life irretrievably ruined by the incoming Jews. The Permanent Mandates Commission at Geneva made rather caustic observations on the failure of the British Government to promote co-operation

between Jew and Arab, but the failure lay rather in trusting to co-operation and underrating the vehemence and violence of the feelings of the Arab population. The British Government wisely decided that a larger permanent garrison must be kept in Palestine.

The Jewish settlers showed extraordinary courage and persistence in battling with these unpromising circumstances. Travelling in the country two years later, one saw them rebuilding their ruined settlements and starting life again with their women and children in districts which were still miles distant from the nearest police station. If economic prosperity were all, there could be no doubt of the benefits they were bringing to the country. Their orange and citron groves compared with any that might be seen in California; they were planting vineyards, building factories and pouring capital into the country. Except possibly the French town of Casablanca in Morocco, their city of Tel Aviv, grown in ten years from a squalid suburb on the shore beside Jaffa to a modern municipality with 80,000 inhabitants, was the greatest achievement in city building during this period. Tel Aviv vibrated with Jewish Nationalist feeling. It had accomplished what other small nationalities had tried in vain to do—the revival of a supposed dead language and its habitual use in daily life. Its municipality carried on all its proceedings in Hebrew, the language of the Old Testament; the newspapers were in Hebrew, men, women and children talked to one another in Hebrew; children rebuked their parents if they lapsed into Yiddish or any of the languages they had spoken in their former homes. With its modern buildings, bright European aspect and Old Testament core, Tel Aviv was in many respects the most interesting experiment in the revivification of a nation that the world had to show. But the observer who had expected to see the old Judaism revived was surprised to find how small a part to all appearance the synagogue and the religious tradition played in this new city. Many of the younger men were specially concerned to show that they had turned their backs on these ancient ways.

Such courage, such spirit, such enterprise deserved any encouragement that the mandatory Power could give it, but that Power remained in its predicament of having to satisfy Jew without prejudicing Arab, and the very success of the Jew increased its difficulties. The old

Jewish Rothschild Colonies in the valley of Jezreel had lived on excellent terms with their Arab neighbours whom they employed freely and with whom they shared their prosperity. In their zeal for their exclusive nationality the modern Zionist Colonies made it a rule to employ only Jews. This deepened the gulf between Arab and Jew and increased the grievance of the Arab. Careful and patient administration kept the conflict within bounds after 1929, but it can only be ended if the Arab learns from experience that he shares the prosperity of the Jew and the Jew refrains from pressing his claims to the point at which the Arab rebels. Most of the virtues of the Jewish National Home would be lost if it had to be enforced by British bayonets on a hostile Arab population.

CHAPTER LXII

THE BRITISH COMMONWEALTH

1919-35

I

AT the Conference of Colonial Premiers attending the first Jubilee of Queen Victoria, Lord Salisbury said that the idea of Imperial Federation was "nebulous matter" which in the course of time might cool down into something solid, but in the meantime he advised his hearers to address themselves to practical questions like the common defence of the Empire. Federation remains "nebulous matter" after fifty years, but it was impossible to interest Dominion statesmen in Imperial defence without taking them into confidence about Imperial policy, and during the last twenty years before the war we may trace the gradual development of the Imperial Conferences, which by this time had come to be held at regular intervals, into an Aulic Council on Imperial Foreign Affairs. British Foreign Ministers on these occasions spoke with the utmost candour to the assembled delegates in secret session, and some of their deliverances on these occasions are documents of the highest importance.

Interest in world affairs spread from the Governments to the newspapers and the publics of the Dominions, and in the last years before the war intelligent British citizens in Canada, Australia, South Africa and New Zealand took as lively an interest in the main issues as their fellows in Great Britain. In 1909 journalists from all parts of the Empire visited London for an Imperial Press Conference and engaged in debate not only with their fellow journalists, but with the leading statesmen of both political parties and the principal naval and military experts. It was not a little due to this process of mutual education that, when the critical moment came in August, 1914,

the Dominions thoroughly understood what was at stake and came to a unanimous and spontaneous decision.

The war brought the Empire closer together than any event in its previous history. When it was over there were tragic memories of death and suffering in common, but also happier memories of comradeship and hospitality in the mother country. Scores of thousands of young men who might never in the course of the life of peace have visited any country but their own had come to England, seen her shrines and countryside, watched her Parliament at work, mingled with her people. With them had come a great company of women to bear their part as nurses and canteen workers. To all these England and Europe had become living realities, and they bore back with them memories which were likely to be passed on for generations.

At the same time they had become alive to the enormous responsibility undertaken by any Government which engaged its subjects in war, and had decided that it could never be taken by any Government for them but their own. These Governments had by this time gone far to clothe themselves with the attributes of Sovereign States. Their statesmen, Botha and Smuts of South Africa, Hughes of Australia, Borden of Canada, had spoken on equal terms with the statesmen of Europe, their countries had been admitted on the same footing as other Sovereign States to the League of Nations; they had claimed and been conceded the right of appointing their own diplomatic and consular agents in foreign countries, even the right of concluding and signing treaties, without the intervention of the British Government.¹ These were profound changes, though little observed at the time.

2

In the autumn of 1922 the British Government received a sharp reminder that the consent of the Dominions could not be taken for

¹ In 1923 a Fishery Treaty between Canada and the U.S.A. was signed by the Canadian delegate alone, the Canadian Government having made it clear that they did not wish it to be signed by the British Ambassador at Washington on behalf of the British Government.

granted to any policy on which they had not been consulted. Issuing an appeal for help from the Dominions in the old confident way at the moment of the Chanak crisis, Lloyd George was bluntly informed by Canada and South Africa that they had no intention of being drawn into another war. From this time onwards the principle that no Dominion could be committed to any policy called imperial without the consent of its Parliament, was tacitly accepted by British Governments. But British policy in Europe could not wait on this condition, and British Governments exercising their own right of treaty-making went ahead, leaving the Dominions to follow if or when they would. The Locarno Treaties of 1926 were subject to the condition that none of the Dominions should be bound by them, and none of them up to the year 1935 had ratified them. When the Treaty of Lausanne was concluded with the Turks in 1923, Canada made her acceptance conditional on the right of her Parliament to decide of its own volition what obligations it should incur.

From all legal and juristic points of view these decisions and reservations presented a tangle of uncertainties which it was beyond the power of lawyers to clear up. The Imperial Conference of 1923 argued and debated but left everything vague. The Conference of 1926 appointed a sub-committee on Inter-Imperial relations which, following Balfour's lead and adopting the words of his famous memorandum, boldly reported that "the Empire, considered as a whole, defies classification and bears no real resemblance to any other political organization which now exists or has yet been tried." Finally, at the prompting of this Sub-committee, the Conference promulgated a definition which read like a clause from the Athanasian Creed :

Great Britain and the Dominions are autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or internal affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations.

The Conference announced that the association of autonomous communities within the British Empire had "as regards all vital matters

reached its full development" and that its relationships might in this way be "readily defined."

Anatole France said ¹ that most of the superficial ideas of the British were shallow and vulgar, but that their subconscious thoughts were subtle and profound. He illustrated this observation from the British Constitution, in which he saw the reflection of many centuries of subconscious British thought yielding a result which was incomprehensible to foreigners but thoroughly understood by the slumbering metaphysician who dwells in the British body. He would no doubt have found a further illustration of this theory in the definition which the Conference of 1926 thought so easy. There was not one but many incomprehensibles in it to the foreigner, who said again, as he had often said about other parts of the British Constitution, that it was a deliberate mystification for the purpose of throwing dust into the eyes of foreign countries. But there were also contradictions in it with the existing British order which even the British felt bound to clear up. For example, the King's representative in the Dominions had the right of reserving the assent of the Crown to a Dominion Act until he had received instructions from the British Government. That Government could even move the Crown to veto a Dominion Act or to disallow such parts of it as might conflict with a United Kingdom Act touching the Dominions, and its consent was required at least technically before effect could be given to certain other legislation. How could a British Government exercise powers of this kind, if, as the 1926 formula said, all the Governments were "equal in status"?

These and similar questions came up again at the Imperial Conferences of 1929 and 1930, the latter of which prepared the ground for the "Statute of Westminster" passed in 1931, which swept away all limitations, gave legal effect to the definition adopted in 1926 and contains its actual words in its preamble. British Ministers were somewhat apologetic in presenting this measure to Parliament. It was, they admitted, a hazardous experiment, but when once the definition of 1926 had been accepted, nothing remained but to carry it to its logical conclusion if the Dominions desired it, and they had left no doubt that they did desire it. Hope was expressed that

¹ In a conversation with the author.

British moderation and good sense and the British genius for making things work would surmount, or evade, the difficulties which were apparent to the merest amateur in international law.

Under the Statute of Westminster the British Commonwealth is a League of Nations without sanctions. It is inherent in its Constitution that no member of it shall coerce any other. The addition of Article XVI of the League Covenant to the Statute of Westminster would have caused it to be rejected by all its members. Dutch Nationalists in South Africa and political theorists elsewhere claimed that it gave their countries the right to secede if they chose, and in law there was no answer to them, but the general judgment was that they were much less likely to exercise it in practice if it were conceded in theory, than if they were threatened with pains and penalties for secession. That expectation was justified in South Africa, where secession ceased to be a subject of political controversy and Dutch joined hands with British in accepting the *status quo*. It would probably have been better for Ireland if the Free State had been in the same position, instead of being bound by a special treaty to Great Britain.

Solvitur ambulando, all will come right, we shall muddle through, were the thoughts of the ordinary citizen. Yet there were some practical questions which could scarcely be ignored. For example, although allegiance to the Crown remained the one acknowledged obligation of the whole family of nations, the Statute of Westminster broke with the principle, which is of the essence of Constitutional monarchy, that the King should not act except on the advice of Ministers. Since there was now no Imperial Government and all the other Governments were of equal status, there was no Government to advise him in his capacity of Head of the Commonwealth. If he were appealed to in a dispute between two of its members, say between Great Britain and another, asked to disallow legislation or acts of policy, or appointments by the one to which the other took objection, he could not take the advice of either of their Governments to the prejudice of the other; he would have to act on his own responsibility.

This placed the British Sovereign in a unique position. The democratic States of the Commonwealth had asserted their freedom,

but at the same time affirmed their allegiance to a monarchy for which, if their theory meant anything, they had waived one of the leading democratic principles. This enhanced the importance and prestige, but also the liabilities of the British Sovereign. The whole fabric of the Commonwealth seemed to rest on the continuance and permanence of his house, for it was extremely improbable that the other free nations would accept a President elected by the British people or be able without great difficulty to discover a form of election acceptable to them all. British politicians were warned that any strain in their own politics which weakened the monarchy or diminished its prestige would have reactions throughout the whole Empire; those who talked lightly of "dealing with Buckingham Palace" were reminded that they would have an account to settle not only with the British people but with all the Dominions. And any occupant of the Throne was reminded, if he needed to be reminded, that there were possible questions ahead of him in which he would have to act not as the spokesman of others but in his own capacity, and with all the skill, wisdom and prudence that steering an even course to the satisfaction of five democratic Governments might require.

3

All this lay in the future. For the moment there were certain facts which no law or theory could override. By virtue of her greater population, her responsibility for India and her Colonial Empire, her central position and preponderant interests, Great Britain remained the predominant partner in the combination. She might, and indeed was pledged to consult her partners, but upon her rested the main responsibility of deciding policy, and to her fell by far the larger part of the burden of defending the partnership against foreign attack. The partners argued among themselves whether they could be neutral in a war waged by Great Britain and yet remain in the partnership, but it was the unanimous opinion of foreign Governments that the British Empire could not have it both ways. It was either a unity or it was not. In the former case its members could not have the privilege of membership in times of peace and the luxury of declaring themselves neutral when the unity was at

war: in the latter a simple declaration that they were not, or had ceased to be and would not again be members of the Commonwealth, would save them from attack. The argument was of little importance; the practical question was whether the military and naval power of Great Britain and the rest of the Empire was strong enough to shelter them from attack if they elected to be neutral, and whether the other members of the partnership would decide so to use it in that event.

Moreover, invaluable as their support had been in great emergencies, the defence of the Dominions and their security in peace rested almost entirely on the British fleet. Many of them had policies, especially immigration policies, which would certainly be challenged if they were thought open to attack. None of them could rely on their communications with Europe, or their freedom to transport their goods, if the British fleet were defeated or withdrawn. The reaction from Europe which swept over America after the war reached the Dominions, and some of their spokesmen were heard saying that they greatly desired Great Britain also to keep out of Europe and to devote herself solely to the defence and development of the Commonwealth and Empire. British statesmen pointed out that one of the special difficulties of this policy was precisely that the interests of this Commonwealth and Empire touched and sometimes conflicted with those of the other nations of Europe at so many different points. It was impossible to say that the Commonwealth might not have to be defended in Europe. Who could predict how a victorious Germany would deal with Australia, New Zealand or India?

4

The general opinion was that Great Britain had followed the best and wisest of her traditions in the new Constitution of the Empire. In this League without sanctions she had once again affirmed her faith in the Liberal principle. But her own liabilities were certainly not diminished. Events in Europe were reminding her that the immense British Empire with its desirable lands and scanty white population might very soon present problems of the greatest gravity and perplexity, unless Liberal ideas were applied to these also. Mussolini was breaking out and demanding places in the sun for the

redundant Italian population ; Hitler had intimated that he too would in due time put in claims for the congested German population ; as between Great Britain and the Dominions there was not even the acknowledged common citizenship which would permit the free flow of population from the one to the other. The Dominions had their case ; they too were suffering from depression and unemployment, and it seemed contrary to good sense to bring the unemployed of one country to swell the ranks of the unemployed in another. But while all the nations were advancing this argument, they were collectively forgetting that population was the main source of wealth, and postponing to a future, when it would be more difficult to handle, the world problem which was growing under their hand. Great Britain in these years found herself standing for a policy of closed doors which were closed even against herself, and she had in the meantime aggravated the case against herself by putting a tariff wall round the vast areas for which the rest of the world held her responsible.

That this could not be her last word, and that Great Britain and her Dominions and Colonies would somehow have to adjust their position to the reasonable claims of other nations, if the peace were to be kept, were thoughts which weighed heavily on responsible men who looked to the future in these times.

In 1931 the Statute of Westminster had dissolved the formal bonds of Empire ; in 1932 the Ottawa Conference endeavoured through the policy of Preference to establish a new commercial tie between the Dominions and the mother country. The details of that are told in another chapter, but it must be noted here as one of the two streams of policy which to all outward appearance were running in contrary directions in these years. All the Dominions had suffered in various degrees from the depression and accompanying unemployment which followed the war, and Australia had had a special crisis owing to the fall in the price of wool. The Preferences granted at Ottawa were an undoubted advantage to them, as was shown by the shifting of the proportions of British trade with foreign countries and with the Dominions.

5

Owing to its special Treaty relations, the Irish Free State stood in a class apart from the Dominions and had a chequered history of its own during these years. After its first desperate struggle with the extremists under de Valera, the Cosgrave Government appeared to have disposed of its enemies, and for eight years the country enjoyed what looked like settled government and amicable relations with Great Britain. But de Valera and his Republican followers were as implacable as ever and only biding their time. On July 27, 1927, Kevin O'Higgins, Vice-President of the Executive Council, Cosgrave's principal lieutenant, was murdered, and at the subsequent elections the Republican party won 57 seats to Cosgrave's 61. Hitherto they had declined to take the oath of allegiance and boycotted the Dail, but from now onwards they changed their tactics, entered the Dail and began to play with the Labour Party for the overthrow of Cosgrave. The latter maintained his somewhat precarious position until 1932 when de Valera won the elections and came to office on a defiantly anti-British platform. He opened his attack by reducing the office of Governor-General to a cipher, and then went on to introduce a Bill (temporarily blocked by the Senate) for the abolition of the oath of allegiance, to abolish the right of appeal to the Judicial Committee of the Privy Council, to deprive Irish subjects of the Free State of their status as British citizens, and to repudiate the liability undertaken under the Treaty to collect and pay the British Government the annuities on the land-stock raised on British credit to buy out the Irish landlords. These he proposed to collect and appropriate to the benefit of Irish agriculture.

De Valera contended that having openly declared himself a Republican and denounced the Treaty as a betrayal of Ireland, he could not be charged with breach of faith in any of these measures. The British view was that relations of any kind would be impossible if a treaty signed by the accredited representatives of Ireland could be repudiated on the return of their opponents to power. Moreover, de Valera was mistaken if he supposed that by any unilateral action he could change the status of British citizens or make any permanent change in the relations of Ireland and Great Britain without

British consent. When he went on to inquire whether it would take any action if he denounced the Treaty of 1921, the British Government merely kept silence, but in the matter of repudiated annuities, the Secretary for the Dominions, Thomas, retaliated vigorously by imposing duties beginning at 20 per cent. and rising later to 40 per cent. on all Irish goods imported by Great Britain, the sum collected to be earmarked for the payment of the annuities. It was always extremely doubtful whether the British importer was not himself paying the duties, but there was no doubt that they inflicted serious injury on Irish farmers and stockbreeders, and in the atmosphere of irritation which de Valera's proceedings had created they gave a momentary satisfaction to British opinion. But the British had no heart in the quarrel, and early in 1935 Thomas concluded a new trade agreement with the Free State by which the latter undertook to purchase the whole of her coal from Britain, and Britain to increase the number of cattle that she imported from Ireland.

De Valera continued to insist on the purity of his Republican faith but added a condition which made it largely academic. The Republic he wanted was a Republic for all Ireland including the six Ulster counties, to which Ulster replied with a thunderous No. "Come and win us, if you can," Carson had said in the old days, and it could not reasonably be maintained that de Valera's methods had been those of a suitor for the affections of the Protestant North. But they seemed to give satisfaction to his supporters in the South, and he was not seriously disturbed by a "blue-shirt" movement which developed within the ranks of Cosgrave's party as a counter-attraction to the lively Irish youth. This was rather an embarrassment to Cosgrave than to de Valera, who seemed still to be firmly in the saddle in his third year of office. John Bull, meanwhile, looked on with good humour and a certain satisfaction that his other island was responsible for its own affairs.

CHAPTER LXIII

INDIA

1919-35

I

THE Great War caused an enormous ferment throughout the East, the results of which are far from exhausted. All the old problems of East and West were now complicated and intensified. The passive attitude of Eastern man to government by the West could no longer be relied upon, as the French rapidly discovered in Syria and Morocco, and the British in India and Egypt. He had watched Europe in convulsions for nearly five years, and come to the conclusion that he had much less to learn from Western civilization than he had supposed till then. At the same time he had picked up from the West the new phrase "self-determination" and was asking why this universal solvent should not be applied to him.

No one who had lived or travelled in the East before the war and returned to it afterwards could be unaware of the change. But the East was in the two minds which were seen alternately coming up in the agitations set on foot by the Indian leader, Gandhi. That extraordinary man had a dual personality which was equally mystifying to his own supporters in India and to the English with whom he came into contact or collision. One half of him was saint and mystic, the other shrewd and subtle politician, and it was never certain in which character he would appear or how long he would persist in either. At one moment he seemed to be exhorting India to turn away from the West and its institutions and find salvation in her ancient ways; at the next he was demanding full-blown democracy for her on the perfect Western model. In combination the two things were a powerful explosive. Gandhi the saint suc-

ceeded by his religious and emotional appeals in spreading politics from the small literate class to the masses in India, and after he had been at work, it was no longer possible for the British administrator to flatter himself that political agitation was the sport of a few black-coated Babus in which the immense majority took no interest.

The agitation of the literates had been gaining ground before the war, but this sudden awakening of self-consciousness in the masses gave it new opportunities after the war. To a large extent the ground had been prepared by British Governments and Ministers. India, during the war, made what was universally acknowledged to be a magnificent contribution to the British and Allied cause. She raised and sent overseas 800,000 combatants, made a free gift of £100,000,000 to the Imperial Government, and added £153,000,000 to her national debt. The ruling Princes also were lavish in their gifts and their professions of loyalty. In acknowledgment of this display of good-will the Imperial Government renewed and enlarged its promise to extend self-government in India. On August 20, 1917, Mr. E. S. Montagu, then Secretary of State for India, said in the House of Commons that "the policy of His Majesty's Government is that of increasing the association of Indians in every branch of the Administration and the gradual development of self-governing institutions with a view to the progressive realization of responsible government in India as an integral part of the British Empire." The promise was qualified by the word "gradual," and it was accompanied by the statement that "the British Government and the Government of India must be the judges of the time and measure of each advance," but the phrase "responsible government in India as an integral part of the British Empire" was taken to mean "Dominion Home Rule," and from that time onwards this became the minimum demand of Indian Nationalists.

2

Montagu was not slow in redeeming his promise, so far as the Government of which he was a member would permit him. In July, 1919, the "Montagu-Chelmsford" reforms—the joint product of himself and Lord Chelmsford, the Viceroy—instituting the system known as Dyarchy in the Provinces and admitting elected Indian

members to a new Central Assembly, became law, after examination by a joint Select Committee of both Houses. But by this time the atmosphere in India was greatly inflamed. Gandhi had had considerable success in an attempt to combine Hindus and Mohammedans in an agitation for the defence of the religions of the East against the encroachments of the West—the so-called Khalifate agitation; and he had persuaded large numbers of his countrymen to believe that British policy in Turkey after the war was aimed at the Sultan in his sacred character of Khalifa or head of the Mohammedan religion. This for a time roused strong anti-British feeling of which the extreme Nationalists took advantage to open a campaign of violence and assassination. The Government of India replied with the "Rowlatt Acts" giving it special powers to deal with seditious crime, and Gandhi retaliated with a "passive resistance" movement which soon took on a violent form especially in the Punjab. On April 13 General Dyer, being called upon by the civil authorities to restore order at Amritsar, gave an order to fire on an unlawful assembly in the Jalianwala Bagh of that city, with the result that 400 were killed and nearly 1,000 wounded. The General, it was said afterwards, was unaware, when he gave the order to fire, that there was no exit from the little square in which the crowd was assembled. He had supposed that a few shots would cause them to disperse, and had taken their failure to do so as a sign of defiant resistance. There were other aggravating incidents, an unhappy delay in attending to the wounded, and the issue of an order directing Indians to "crawl" past the spot. The East takes death with resignation, and in after years it was not the 400 dead or the thousands wounded, but the "crawling order" which seemed most to be burnt into the memory of India.

The Government of India appointed a Committee of Inquiry which condemned General Dyer, and it was decided that he should receive no further employment in India. But by this time the controversy had spread to England, and though the House of Commons by a large majority endorsed the action of the Committee, the House of Lords passed a resolution deploring the treatment of General Dyer as unjust and "dangerous to the preservation of order in face of rebellion"; a London newspaper raised a large sum of

money as a testimonial to him ; and in the course of a libel action which only indirectly touched the case, a judge went out of his way to observe from the bench that " the time and method of General Dyer's punishment, if he were wrong, were most unfortunate." General Dyer had now become the Governor Eyre of his time, and fierce controversy raged about his head in both the British and Indian press.

3

This was not a propitious start for the Montagu-Chelmsford scheme, and before the new Councils could get under way, there were further troubles. By this time India had fallen into the post-war depression, and the new Councils were balked in any forward move by falling revenue. At the same time Communal strife, which had been held in suspense by the Khalifate movement, was starting afresh and rising rapidly. Gandhi's idea of combining Hindus and Mohammedans in defence of the Mohammedan Pope was too artificial to be more than a brief episode, and it collapsed overnight when the New Turkey contemptuously cast off the object of Moslem veneration. The Indian Moslem was now disposed to think that Kemal Pasha deserved anything he might get from his British or any other enemies. By a queer reaction characteristic of India, Hindus and Mohammedans began to turn on one another, and the necessary measures taken by the British authorities to quell their disturbances increased anti-British feeling in both camps.

Dyarchy—the central feature of the new reforms—required both money and good-will to make it work, and there was little of either in these years. Under Dyarchy certain subjects, such as law and order, justice and finance were reserved to the Governor and his officials and certain others, such as education, the extension of local self-government, public health, agriculture, assigned to Indian Ministers responsible to an Indian electorate. In a few Provinces in which the Governor practically wiped out the distinction between the two classes of subjects and treated his Indian Ministers as sharing Cabinet responsibility with their British colleagues, the system worked well, and there was little friction. But in most Provinces Governors took a strict view of their legal duties, with the result that the Indian

Ministers were soon in conflict with the official members of the Council and using their position as a platform for agitation. The Indian Minister had a strong case from his own point of view. He was held responsible by his electorate for all the acts of the Provincial Governments, and what could he do but resign and take to the platform if his plans for education or agriculture were vetoed by the British Finance Minister, or the Governor passed over his head taxes against which he protested? He did what any British politicians would have done in like circumstances—resigned his office and took to the platform—but no one who observed the working of Dyarchy in these Provinces could have questioned the judgment of the Simon Commission that it was educating India in irresponsibility.

Under Gandhi's influence the Nationalists boycotted the new Constitution when it first came into force in 1920, but in 1922 they broke away from his lead and entered both Councils and Central Assembly, though with the avowed object of breaking them from within. A long period of cross-purposes followed. The Nationalists were in two minds: as agitators they wanted to break, as politicians they were deeply interested in the new institutions, and feared that a boycott might leave the field clear to opponents and rivals. In the Delhi Assembly they tried to ride both horses with rather absurd results. To mark their separateness from Europeans and "moderates" they dressed in khaddar and "Gandhi" caps—a uniform which had a singular resemblance to British convict garb—and at one moment walked out in a body to signify that they had washed their hands of the whole "farcical" business, and at the next returned and went on with their work as if nothing had happened. The atmosphere was remarkably good-humoured, and the general judgment was that they included in their ranks men of great political and administrative ability, capable under the right conditions of rendering the best service to their country.

4

Those who visited India about the year 1926 found Government and Nationalists walking round in a circle, the Government promising a "conditional advance" if the Nationalists responded, and the Nationalists "responsive co-operation" if the Government advanced.

Gandhi, meanwhile, had retired to his *ashram* at Ahmedabad, and his emergencies and withdrawals, his fastings and his political manoeuvres, his alternate defiance and submission, were equally baffling to the Government and the Nationalists. To decide when Gandhi must be arrested and when he could safely be left at large, was for the next six or seven years one of the most delicate of the Viceroy's duties. For much of this time Gandhi declared himself to be out of politics and devoted wholly to the redemption of India from its thralldom to the West. This he proposed to effect by spinning. Everyone was to have his own spinning-wheel and spend a certain time every day in spinning a certain amount of cloth. Wherever he went he took his spinning-wheel with him, and wherever the politicians went they had a spinning-wheel in their baggage. Thus by example and practice India was to be taught to do for herself instead of relying on the machine products of Lancashire, and by degrees the ancient peaceful life of the villages—the life of home-made and hand-made things—would be restored.

The ideal deserved respect, but the politicians thought it slightly ridiculous, and the villagers discovered that they could earn much more in the time by selling their labour than by making their own cloth. The spinning-wheel nevertheless remains a symbol of the inner conflict between the desire to be free of the West and the haste to take on Western institutions, which makes Indian politics so puzzling to the Western mind. Revolt, based on genuine religious foundations, against the materialism of the West went hand in hand during these years with a rising ambition to be the equal of the West on its own ground of political institutions. Gandhi met both moods by his alternate appeals to the old religious India and to the politicians who were fighting the West with its own weapons. He was equally adept in both spheres.

5

By this time the Government of India was convinced that large changes were necessary, but its hands were tied by the provision in the new Constitution which made the year 1929—ten years after its inception—the earliest date for revision. This was the worst mistake of the framers of that Constitution. It prevented the timely

amendments which might have made Indian reform a gradual and orderly advance, and doomed the country to a fresh upheaval at the end of the period. Long before half of it was run the year 1929 had been marked in the politicians' calendar as the year of change, the year on which agitation should be focused and concentrated. The Indian mind was now bent not on making the best of the existing institutions, but on getting the utmost when the period ran out. The Government of India, on the other hand, was in a cleft stick. It might have invoked the British Parliament to advance the date, but to do that in face of a rising agitation would have been to expose itself to the charge in England, and the appearance in India, of making a weak surrender under pressure. It adopted the middle course of urging the home Government to be ready for the necessary revision at the earliest date, and carrying on meanwhile with a judicious mixture of coercion and conciliation. Lord Reading tided over a difficult time with the minimum of coercion, and his successor, Lord Irwin, showed a sympathetic understanding of Gandhi and his movement which went far to allay bitterness and keep agitation within bounds during this transition period.

The home Government, being warned, obtained the consent of Parliament at the end of 1927 to the appointment of a Statutory Commission, with Sir John Simon as Chairman, to visit India and report on the steps to be taken as soon as the time for revision arrived. There was a reasonable hope, when this Commission was appointed, that it would complete its work in time to enable the new reform scheme to be introduced before the end, or very soon after the end, of the year 1929. But a serious mistake was made at the outset. Not realizing the extreme sensitiveness of Indian politicians about political reforms, the Government failed to invite the Delhi Assembly to appoint a Committee or Commission to meet Sir John Simon and his colleagues and left him to make his own contacts. The Nationalist party had confidently expected to be summoned to a joint Commission, and it took violent offence at the omission, which it regarded as formally denying its right to take part in the reform of its own Constitution and leaving it in the hands of a body composed entirely of Englishmen. Once more the cry went up that an inferior status was being imposed on India. The Nationalist

Congress accordingly decided to boycott the Commission, and in 1928 Simon was left to do the best he could in consultation with a small body of "moderates," under the chairmanship of Sir Sankaran Nair, whom the other Nationalists repudiated. The latter proceeded to make a report of their own in which they demanded immediate Dominion status and the abolition of the India Office.

This caused delay and the Simon Commission found it necessary to pay a second visit to India in 1929. It worked heroically, and in June, 1930, produced a monumental report which remains one of the great State papers of these times. It recommended the abolition of Dyarchy, and, subject to certain emergency powers vested in the Governors, the institution of complete responsible government, covering law and order and finance, in the Provinces. It proposed for the present to leave the Central legislature untouched, but emphasized the necessity of devising a constitution which would allow of evolution without the necessity of periodic revisions, since the feeling that a constitution is temporary removed much of the incentive to make it work.

6

But long before this report was published important new elements had entered in. While the Simon Commission was at work another Committee, under the Chairmanship of Sir Harcourt Butler, had been inquiring into the position of the Native States and convinced both itself and the Simon Commission that it was impossible to leave them out of the picture. This raised new and complicated questions of status. The ruling Princes of these States enjoyed in theory a sovereignty which was only qualified by their relations to the King Emperor represented by the Viceroy. They knew nothing of and acknowledged no allegiance to the Assembly at Delhi or any other administrative organ of the Government of British India. To leave them out might be, as both the Simon Commission and Butler Committee agreed, "looking at one half of India to the exclusion of the other," but how to bring them in was an extraordinarily difficult problem which plainly was not solved in the Simon report. The Princes considered it beneath their dignity to join a Central Assembly left unrevised and irresponsible, as the Simon Commission

left the Delhi Assembly; if they joined it at all, they must have power and substantial power, such as Princes might exercise in the central legislature of a Federal India.

Thus starting from opposite poles Princes and Nationalist politicians reached substantially the same conclusion—that there must be responsible Government at the centre—and Lord Irwin heartened both by declaring at the end of October, 1929, on the authority of the Labour Government which had now come to power, that “the natural issue of India’s Constitutional progress is the attainment of Dominion status.” This enlarged all the issues and paved the way to the Round-Table Conference which was to be the next phase in London. But in the meantime there was great confusion in India. The terrorist movement had revived in Bengal; Communist riots broke out all over the country; an all-India Congress, declaring itself in despair about reform, advanced its demands to complete independence, and Gandhi marched with a vast crowd to an area of salt flats and there inaugurated a “Civil Disobedience” campaign by making salt in defiance of the law. This agitation lasted the greater part of the year 1930, and the sympathetic Viceroy found himself compelled to put Gandhi in prison and to deal summarily with many of his supporters.

But by this time the First Round-Table Conference had taken place in London and been attended by representatives of the Princes and the Moderates. It decided that the reforms should take the shape of an all-India Federation, and when it adjourned conciliation was in the air. On their return to India the Moderates succeeded in making peace between the Viceroy and Gandhi, and a truce was concluded by which civil disobedience was called off and political prisoners released. Congress now decided to attend the next Round-Table Conference fixed for September, 1931, and Gandhi himself came to London. He was not at home on this scene. His appearance in the garb of a fakir gave the impression that he was deliberately acting a part, and his contributions to the Conference gave the impression that he was unaware of the difficulties which on any assumption had to be faced and overcome. The Second Round-Table Conference did little more than explore these difficulties, and one of them—the question of the representation of Hindus and Moham-

medans in the new Constitution—proved so formidable that Hindus and Mohammedans themselves threw it back on the British Government.

Gandhi returned to India in high dudgeon, and almost immediately picked a quarrel with the new Viceroy, Lord Willingdon, by demanding the withdrawal of the "ordnances," i.e. the exceptional powers taken by the Government to deal with the terrorist movement which had renewed its activities in recent months. When the Viceroy refused, Gandhi started a new Civil Disobedience campaign which led to violent struggles with many casualties between police and agitators, and once more landed him and a large number of his adherents in prison. Again he had discovered that his precepts of non-violence fell on deaf ears when "disobedience" was the watchword, and it was surmised that he was not sorry to be withdrawn from the scene.

His extraordinary mind now took another turn. Meditating in solitude, he came to the conclusion that not constitutional reform but the plight of the "untouchables"—the fifty million low-caste Hindus treated as scarcely human by the higher castes—was the immediate overwhelming problem for India. It exasperated the Brahmins and bewildered the politicians, but Gandhi was in deadly earnest, and he announced that he would fast to the death unless these outcasts were given better representation. The Government was quite willing to make this concession if Indians desired it, and after the necessary pourparlers it was made just in time to save Gandhi's life. On recovering from his fast he intimated to his friends that for the present he would withdraw from politics and devote himself to awakening his countrymen to the sin and shame of untouchability. This he did with rare courage and devotion for the next few years, but it remained an anxious question alike for British administrators and for Indian politicians when and in what way he might reappear on the political scene.

Willingdon had been less indulgent than his predecessor to Gandhi's agitation, but he was no less convinced that the new Constitution must go forward, and at its third meeting in the winter and spring of 1932-3 the Round-Table Conference took up the task of filling in the details of the scheme drawn up at its previous meetings. In

March, 1933, it presented its conclusions to the British Parliament in the form of a White Paper, which had next to pass the ordeal of examination by a joint-Select Committee of both Houses before being drafted in the form of a Bill which after further examination and amendment by both Houses was passed by Parliament in 1935.

This abolishes Dyarchy and gives responsible self-government to the Provinces subject to certain safeguards reserved to the Governors and Governor-General. It sets up a Federal Legislature of two Chambers (a Council of State and House of Assembly), with large legislative powers on matters of concern to all India, and general control of Federal finance. Defence, foreign relations and ecclesiastical affairs are reserved to the Governor-General, who is to exercise his functions with the help and on the advice of a Council of Ministers not exceeding ten in number. Appointments to the Covenanted Civil Service remain in the hands of the Secretary of State for India. The Governor-General retains certain emergency powers in case of administrative breakdown, financial confusion or external danger, and his assent may in the last resort be withheld from legislation. Many of these reserve powers are such as must be exercised by some authority in any Federation, and others will, it is to be hoped, prove unnecessary and be allowed to lapse into desuetude. With all its qualifications, the Act represents a great advance to self-government and is as bold an experiment as has ever been made in the government of a great Eastern country.

7

The procedure bears its own witness to the gravity and thoroughness with which British Governments and Parliaments discharged their responsibilities towards India, but nearly seven years had elapsed since the Simon Commission embarked for India, and the long delays and incessant recriminations had embittered feeling and taken the graciousness out of the gift to India. Winston Churchill, rallying the Die-hards, gave formidable expression to the opinions of a former generation of Indian officials and echoed their lamentations over the "lost Dominion" in speeches of great power and eloquence. It was right and inevitable that this point of view should be presented, but as inevitably it played into the hands of the Nationalist Die-hards of

India who thought, or pretended to think, that it revealed the real intentions behind the false façade of the constitutional scheme. Nor could debate go far without disclosing the difference of motives actuating the Princes on the one hand and the politicians of British India on the other in their apparently united demand for responsible government in the Central Assembly. The Princes, seeing the democratic tide overflowing from British India into their States, wished to control it at the source; the politicians looked with suspicion on any check to their free activities. To find a compromise between these two tendencies was so evidently in the interests of the British Government that the politicians could with difficulty be brought to believe that it was also in the interests of India.

Educated Indians have been brought up to believe that the British Parliamentary system is the perfect model of a free democratic Constitution and they apply all its analogies to their own case. It is not too much to say that the successful working of the new Federal Assembly depends to a large extent on their unlearning this habit, and looking rather to the working of Federal Constitutions in which the Executive enjoys a firmer tenure than it could possess if it were dependent on parties drawn from different States with different languages, religions, political ideas and levels of culture. There are no analogies which exactly fit the case of India; in the long run she must find her own solutions, but a recognition of the essential differences between the government of a homogeneous country like Great Britain and that of a continent like India is, in this respect, the beginning of wisdom.

8

In the years after the war the traveller in the East heard the word "unacceptable" applied to every advance towards self-government conceded by the Western ruler, and it was heard all over India when the Constitution became law. Much stronger words were used by British Die-hards, who protested to the end that Great Britain was renouncing her imperial mission in a meek surrender to political agitators. The Labour Party on the other hand took the Indian view and protested that far too little had been conceded. To be received thus had been the fate of most reform measures for India, and the Government took it philosophically. The chief danger was that in

the long and elaborate effort to find compromises between the different points of view and safeguards against dangers, real or imaginary, the new machinery would be too complicated to work smoothly. Time and experience alone can show, but outside the ranks of partisans the British people accepted it as a bold and generous measure in the best and wisest tradition of British statesmanship.

From the beginning to the end of the long debate on this subject, two considerations weighed greatly with those who had watched the progress of events in the East, and they may well be borne in mind when the time comes to pass judgment. First, what is called "the rule of Great Britain in India" differs in essential respects from the rule of Great Britain by a British Government and administration. In Great Britain there is a practically unlimited supply of officials, soldiers, police, magistrates and voluntary workers to carry on the work of administration, and all are of one race. In India 4,000 British officials—or if we take the Covenanted service alone now rather less than a thousand—need to enlist the aid of at least a million Indians to keep law and order and carry on the daily work of administration. A large number of these belong to the literate class which is sensitive to political unrest, and if discontent with alien rule spread beyond a certain point, they could scarcely be immune from it. It is not difficult to stamp out rebellion temporarily, but if passive resistance reached the point at which the public service could be effectively paralysed, no exhibition of force could enable it to be carried on.

To keep that point at a distance is the necessary care for all far-sighted administrators who look beyond the moment, and to fall back on the methods of the old régime in an India which has been stirred to a lively spirit of national self-consciousness would be to bring it nearer. Much surprise was expressed at the time at the readiness of British officials in India to accept changes which seemed to diminish their power and lower their prestige, but the very capable body of men who filled the higher offices in that country knew the limits of their power and the conditions of retaining it. They were aware that they could not govern the country as an Oriental despot—a modern Akbar or Aurungzebe—might govern it; they were the directing body of a great Indian administration, to which Indian co-operation was essential.

This is everywhere the condition of Western rule in the East. But another thought weighed greatly in these times with those who look to the moral foundations of government. This was that the British Government was nearing the end of what it could do, without much more active Indian co-operation, for the social progress of the country. It had all but reached the limits of taxation which an alien Government dared impose ; if the country was to be taxed for education or other social purposes, it could only be by responsible Indian Ministers. They alone could overcome the caste prejudice and religious tabus which stood in the way of sanitary reform, scientific agriculture and the ordering of the sexual life so remorselessly exposed in Miss Mayo's "Mother India," on rational principles. They alone could deal with "untouchability." To stand in their way if they sincerely believed, as many of them professed to do, that they could do for their country what British administrators were manifestly unable to do, was to rob the Government of its moral justification.

It was in no shallow optimism that the great experiment was made. With all its reservations and qualifications it was inevitably to some extent a leap in the dark, the success of which in any near future was bound to depend on the measure in which Indian politicians could be induced to turn from agitation to practical politics.

BOOK SEVEN
A COMMENTARY
1886-1935

CHAPTER LXIV

LABOUR AND ECONOMICS

(I) BEFORE THE WAR

I

THE fact which looms large behind all attempts to interpret political or economic history in modern times is that the population of Europe increased threefold between the end of the eighteenth and the middle of the nineteenth century. This increase, roughly from 173 millions to 525 millions,¹ running parallel with the industrial revolution, immensely enlarged the scope and urgency of the problems presented to statesmen and threw on them burdens and responsibilities far greater and more complicated than those borne by statesmen in the previous centuries. It will no doubt be possible some day to relate the political and economic struggles of these years to the growth of population, and its need of outlets and supplies of food and raw material, but the subject awaits further study, and in exploring the economic situation a writer is fortunate if he can help to establish the facts in his own country.

In the twenty-eight years before the Great War covered by the first part of this book, Great Britain enjoyed general, if chequered, prosperity—prosperity according to all standards previously obtaining in Europe or Britain itself. New markets were opened up; between 1884 and 1896, 2,600,000 square miles were added to the British Empire, which now covered nearly a quarter of the globe. The Baring crisis of 1890 caused a sharp temporary set-back, but the average of incomes measured in money increased by 15 per cent. between 1880 and 1898, and up to nearly the end of this period falling prices added substantially to purchasing power. In the same years the

¹ Figures quoted by H. A. L. Fisher, "History of Europe," Vol. III, p. 793.

capital invested abroad was mounting up towards £2,000 millions, and the income received from it was not far short of £100 millions. Great Britain was providing her customers in the Empire and abroad with money to develop their estates, and in return they bought freely from her both the plant and machinery and the consumers' goods which they were unable to make for themselves.

In the last five years of the nineteenth century and the early years of the twentieth the gold stock of the world was enormously increased by the output of gold from South Africa, and during the same period the expansion of industry was checked by the consumption of capital first in the Boer War, and later in the Russo-Japanese war. In so far as it was in excess of the capacity of industry and commerce to absorb it, the increase of the gold supply tended to raise prices,¹ and this tendency was accentuated by the two wars. The net result was that though the average of money incomes continued to increase, the rise in prices caused their real value as measured in commodities to remain stationary and even to decline.² Thus the improvements in the standard of living which had been continuous from 1880 to 1896 suffered a set-back during the subsequent years, and this, though masked by the maintenance of money wages, led to a continuous, if subconscious, unrest.

In the same years another cause was operating which even by itself was calculated to check the rise in wages. Owing to the increase in the birth-rate during the middle years of the nineteenth century and the greater number which—thanks to improved sanitation and medical science—was now surviving, the available industrial population was rapidly increasing. Large numbers were thus coming into the labour

¹ Professor Ashley writing in 1911 estimated that there had been added to the world's stock of gold in the previous fifteen years a quantity considerably greater than the total amount of coin and bullion previously existing in Europe and America and the Colonies, ("Gold and Prices," p. 17). The annual output during the latter part of this period was between 90 and 100 millions.

² This statement would need some qualification if applied to the whole Western world. In countries which, like Britain, were exporting capital during these years both money and real wages seem to have risen less rapidly than in the countries which were importing it.

market at a time when the rate of increase in the expansion of industry was being checked and the value of money wages declining. But there was still the vent of emigration and the prospect of careers overseas for a considerable number who could not find employment at home. The stream of emigrants flowed outwards at the rate of about 100,000 a year.

2

From the eighteen-eighties onwards changes were taking place in world trade and industry which were not to the advantage of Great Britain. The monopoly which she had enjoyed in the export of manufactured goods during the middle years of the nineteenth century was drawing to its close. The foreigner was making for himself many of the things that he had formerly bought from Britain, and at the same time developing a system of nationalist protection, with the double object of reserving his home market to himself and making it a base for the invasion of the foreign and neutral markets in which British ascendancy was supposed to be unchallengeable. Great Trusts and Cartels were coming into existence which made it a habitual practice to sell at, or even below, cost price abroad and to recoup themselves by selling dear at home. Trade was already passing out of the age of reciprocity into the age of militancy, and was set on the road which led to the strangulation of international trade that followed the Great War. The effects are seen in the fluctuations of British exports, which after doubling in the twelve years between 1860 and 1872 slowed down rapidly in the subsequent years, and at the beginning of the new century showed a much slower rate of advance than in the thirty previous years. Germany was the leader of the new Protectionist movement, and fears of German competition and denunciations of German-made goods rose almost to panic level in the 'nineties. The Free-Traders, however, held their own in England and successfully maintained their theory that tariffs were best fought with free imports. One concession a Unionist Government had made to the Protectionists by passing the Merchandise Marks Act of 1887, requiring foreign goods to be marked with their country of origin, but this had the undesigned effect of giving German goods a wide free advertisement. Many of them, as the consumer discovered, were good as well as cheap.

It was on the whole more remarkable that British trade should have held its own so well during this period than that it should have suffered from the new competition. There were many consolations in the new conditions. Great Britain's competitors were still good customers, and as they prospered, she shared in their prosperity. She still commanded 50 per cent. of the carrying trade of the world, and her Free-Trade system made her ports the centres of a valuable entrepot trade and kept London supreme in banking and finance. From the beginning of the new century British and German foreign trade advanced together on parallel lines, the British keeping steadily on the higher level,¹ but the unchallenged supremacy which Great Britain had enjoyed in the middle years of the nineteenth century was now a thing of the past, and from this time onwards she found herself fighting to keep her lead against formidable competitors. At the same time the automatic smooth-working system of exchange which by her Free-Trade and maritime policy she had been mainly instrumental in maintaining in the world was already threatened by the protectionist policies of her neighbours. Arguments about the "favourable" or "unfavourable" balance of trade were already beginning to be heard.

These conditions formed the substance of Chamberlain's Tariff agitation, and his remedy was that we should follow the example generally set in the world, secure a privileged market in the Empire, meet tariffs with tariffs, fight the foreigner with his own weapons. The figures of the year 1902 on which he based his case looked alarming, and the comparison with 1872 (which happened to be the boom

¹ Speaking on his last Budget before the war, Mr. Lloyd George said: "Last year was an exceptionally prosperous year. I had based my estimates of revenue on the assumption that the trade boom would surpass anything we had experienced in this country. I was charged with over-sanguine estimates. However, I think I am entitled to point out that all those estimates were more than justified by the results. The trade of this country reached the highest point it has ever reached. Unemployment touched the lowest point it has ever touched in the history of this country, and it is all the more gratifying inasmuch as there is hardly any country in the world which could put forward the same claim. . . . I think that is a story which must be a source of encouragement to all those who feel any doubt as to the future of British industry" (House of Commons, May 4, 1914).

year after the Franco-Prussian war) gave them the specious appearance of indicating a decline over the thirty years. But 1902, as it turned out, registered only a temporary depression and the rapidly rising figures of the subsequent years falsified his predictions and largely shattered his statistical case. In the same years the rise in prices was satchling up with the advance in nominal wages and putting an automatic check upon the increase of the workers' prosperity. This had a double adverse effect upon the case for Protection. It eased the anxiety of the manufacturers, who perceived that prices could rise without tariffs, and deepened the anxiety of the worker for his standard of living. The years from 1903 to 1906 proved to be the least promising time for the advocacy of food-taxes. They were years of unrest in which the workers were conscious of the check in their prosperity, and their rally to Free Trade in 1906 was at least as much a defensive movement as the manifestation of insurgent Radicalism that Conservatives took it to be.

It was truly said in 1906 that democracy was on the march, but its forward movement cannot be related to any particular economic phase. It continued through times called good and times called bad, and even gained volume from the relative prosperity which brought into view possibilities hitherto undreamt of by the multitude of the poor. The complacency with which poverty had been regarded as one of the inevitables of the human condition was breaking down in all classes; and in face of the precise evidence now being provided of the conditions in which vast numbers lived in London and the great towns, the optimists who had spoken of the unparalleled progress of the working class were heard with impatience. In the new light which was breaking on the scene it was no longer possible to regard an average wage of from 30s. to 35s. a week for a skilled mechanic, and something less than a pound for the unskilled labourer, as the zenith of prosperity for three-fourths of the inhabitants of the country counted the most prosperous in Europe. It could still be said that wages in Great Britain, both nominal and real, were higher than in any other European country, but if it was true, as Charles Booth reported after his inquiries into the life of the poor, that twelve millions were living "on the verge of hunger," the humane judgment was that they were not high enough.

It must be added that the Protectionist policies of the European nations had profound consequences in world politics. In proportion as they closed their home markets to one another, a sharper edge was given to their competition in neutral markets, especially in distant and undeveloped countries. Their quarrels over "the open door," their struggles in the Far East and in Morocco, their efforts to find places in the sun, to secure and monopolize new trade routes or commercial spheres of interest were all accentuated by the policy which prevented them from co-operating for the development of Europe, and more and more compelled them to seek markets for their surplus products elsewhere. The trader now had his eyes on the ends of the earth, and having persuaded himself that "trade follows the flag," he demanded the backing of his Governments through spirited foreign policies and strong navies. The principal German argument for a big fleet was that trade could not safely be pursued without it. Economics and politics have always been closely allied, as they must be so long as wealth-getting is the greatest of human activities, but under the new conditions economics tended more and more to enroach on politics. In the last half of the nineteenth century the shrinkage of the world gave an increasing sense of urgency to the quest of new spheres to exploit, and this was felt specially by nations which, like Germany, had come late on the scene, and considered it imperative to be up and doing before all the "places in the Sun" were occupied.

3

The period was one of the greatest importance in the history of organized Labour, and to it may be traced many of the developments of recent times. "

In the early years we find British Trade Unions confined to skilled labour, seldom or never going beyond the limits of a particular trade, devoting themselves to making the best bargain within that trade for their own members, and, so far as they touched politics, content to leave their interests to the Liberal party and a few of their members elected to Parliament as Liberals. As the period goes forward, we see the separate Trade Unions enlarging their boundaries, joining hands with one another in Confederations, and through the Trade

Union Congress imbibing the idea of a common Labour interest embodied in demands for a "living wage," an "eight-hour day" and the like, and resulting finally in the formation of a Labour party, separate from all other parties to be the instrument of a Labour policy in Parliament.

The first serious challenge to the "old Unionism" came in the 'eighties from a group of young men, of whom Kcir Hardie, John Burns, Ben Tillett, and Tom Mann were the most prominent. They argued that the process of peaceful bargaining had gained nothing for the mass of workers, and even for the skilled had done little more than register reductions of wages or refusals to raise them, imposed by employers. To rally the unskilled and to have a Labour policy which could be pursued in Parliament and by the new local authorities were said to be the ways of advance.

These ideas were by no means confined to Labour. They evoked a warm response among serious middle-class people whose conscience was being stirred by the investigations into poverty which Charles Booth was pursuing and by the appeals of Canon Barnett, the first Warden of the newly founded Toynbee Hall, to name only two of the powerful voices heard in these years. When they organized the Dockers' Union and conducted the dock strike of 1889, John Burns and Tom Mann had no more zealous supporters than the young men of Toynbee Hall and other social workers in East London. Large numbers of the clergy also were on their side, and the success of this strike in winning the docker his modest "tanner" and giving the first impetus to the "decasualizing" of unskilled labour had a far more than local effect. All over the country it gave a new status to the labour which is called "unskilled," and warned employers of its latent power if it were not treated with consideration. The new opinion led finally to the institution of "Trade Boards" which greatly mitigated the conditions of "sweated" labour. Sweating was now branded as illegal.

The same spirit may be traced in the administration of the newly established London County Council, then actively at work with its Progressive majority, and of the Liberal Government of 1892. Both sought to make the State a model employer by laying down conditions for hours and wages in the public departments and, so far as they could, imposing them upon contractors and others whom they employed.

For the next few years the idea of permeating Governments and public authorities and working through the existing political parties prevailed in the Labour movement. It was the leading idea of the Socialist Fabian Society, and especially of Mr. Sidney Webb, then the most practical of the Fabians, who was willing to take what he could get wherever he could get it, and was indefatigable in supplying politicians of all parties with programmes for some definite next step. These practical spirits, while calling themselves Socialists, saw no object in alarming the public by hoisting the red flag or singing the Internationale. To convert the Liberal party, or any party, into a Labour and Socialist party without its being aware of it would, in their view, be the quickest and most useful way of advance.

4

But in the meantime a young Scotsman, Keir Hardie, who believed in Labour cutting itself off from the Liberal or any other party and standing on its own feet with its own policy, had formed a Scottish Labour Party and got himself returned to Parliament as its nominee at the General Election of 1892. In 1893 he persuaded the Trade Union Congress to establish a fund to pay the expenses of candidates and to maintain them in Parliament if elected; and at the same time to pass a resolution laying down that Labour members should be independent of the Liberal as well as of the Tory party, and that no candidate should receive financial assistance unless he advocated public ownership and control of the means of production. Hyndman and the Social Democratic Federation, which espoused the whole Marxian creed, had sown this seed, and though they had little success with their own organization their disciples now conveyed it to the Trade Union movement. "As the result of Keir Hardie's activities the Independent Labour Party came into existence, professing the complete Socialist doctrine, (though for tactical reasons declining the name of Socialist), and with the aid of the fund established by the Trade Union Congress ran twenty-eight candidates at the 1895 election. None of them was elected, and Keir Hardie himself lost his seat.

In fact the conversion of the Trade Unions to Socialism was so far only skin deep, and when it came to voting, the great majority of the workers voted as before with one or other of the dominant parties.

In 1895 and again in 1900 an immense number voted for the Unionist party, being swept into the prevailing tides of anti-Irish and imperialist opinion. In the "Khaki election" of 1900 Liberal opponents of the South African war were unpleasantly surprised to find Scottish workers voting solidly against them, and the miners' vote in England and Wales scarcely less hostile. At this election the Independent Labour Party ran only twelve candidates, but secured the election of two, Keir Hardie and John Burns. It gave a special satisfaction to the doctrinaire Socialists who disliked "middle-class Liberalism" rather more than they did Toryism, that by splitting the Liberal and Radical vote they had caused the defeat of several Liberals, but this gave little pleasure to practical politicians of the working-class who saw the Tory party reaping the benefit of these tactics.

The result after 1900 was a reaction against the Independent Labour movement and a swing back to co-operation between Liberal and Labour. Keir Hardie and his Independents still stood out, but something like a "gentleman's agreement" was concluded between the other Labour leaders and the Liberal whips whereby "split candidatures" were as far as possible avoided and the Liberal and Labour vote concentrated on getting the largest number of Liberal and Labour candidates elected. This resulted in the return of fifty-three Labour candidates at the 1906 election, of whom twenty-four were openly allied with the Liberal Party, and twenty-nine stood and were elected as members of the Independent Labour Party and nominees of the Labour Representation Committee, and were pledged to sit and vote as an independent party. These twenty-nine were the forerunners of the Labour Party of later times, and the organization they founded and the fund they persuaded the Trade Union Congress to establish rendered its subsequent development possible. Philip Snowden (afterwards Viscount Snowden) was one of the most active and persistent members of this group and made a special mark in the subsequent Parliaments by his trenchant and rather biting speeches.

5

The period, as a whole, was one of adversity for the trade unions. As the unions enlarged their spheres and became confederations of trades, so the employers enlarged theirs and established confederations

of employers. When strikes broke out, the confederated workers found themselves up against the confederated employers, whose weapon, the lock-out, proved a deadly counter to the workers' weapon, the strike. In the year 1897 the engineers' strike and the South Wales miners' strike were both disastrous failures. But the mere spread of these strikes brought into play a compensating factor which in the long run was to be of advantage to the workers, in that the State was more and more compelled to intervene. Governments might stand aside and remain impartial spectators of local disputes between masters and men, but engineering strikes, coal strikes, transport strikes, on the scale now becoming common, threatened to paralyse the industry of the whole country and inflicted loss and suffering upon an innocent multitude. From year to year we see the demand rising that the State should intervene to protect the public, and even Conservative Governments responding to it by providing machinery for conciliation and offering the mediation of the Board of Trade. Feeling instinctively that State intervention threw a challenge to their claim to order their businesses in their own way, employers resisted this tendency to the utmost, and said loudly that they would know how to settle with their workmen if these were not encouraged to believe that they had only to make enough trouble to bring the State to the rescue. But the public judged that there was a limit to the extent to which industrial warfare should be permitted to damage the general interest, and more and more insisted that Governments should play their part.

It was the same process which had compelled even Conservative Governments to intervene in the struggle between landlords and tenants in Ireland, and it had similar far-reaching consequences. Not merely to stop the industrial warfare when it had broken out, but to get in front of it and to prevent its breaking out by remedying the grievances of workmen and redressing the balance against them became positive objects of Governments and politicians. The workers might fail in their immediate object, but strikes on the scale of the engineers' strike and the coal strike undoubtedly called attention to their grievances and set a multitude thinking about the conditions of the industrial life. The ground was thus laid for the social and labour legislation of the subsequent years.

But in the meantime heavy blows were falling on the trade unions

from another quarter. In July, 1901, two judgments in the House of Lords (the *Taff Vale* case and *Leathem v. Quinn*) upset the whole legal basis, as till then it was supposed to be, of the operations of trade unions.

Up to this time it had been assumed by all parties that trade unions in their corporate capacity were non-suable. That is to say they could engage in strikes and other operations within the law for the benefit of their members without rendering themselves liable to civil actions for damages. This exception to the law governing other associations had been generally accepted as an act of State policy deliberately adopted to equalize the conditions between Labour and Capital, between the scanty resources of Labour and the long purse of Capital ; and it was supposed to be enshrined in the basic Act of 1871 which gave trade unions their legal status. The debates preceding the passing of this Act place it beyond doubt that in refusing to "incorporate" trade unions Parliament meant to grant them this immunity, and for the next thirty years all parties had proceeded on the assumption that they possessed it.

Having, as it supposed, placed trade unions in this special position, the same Parliament hedged it about by another Act making "molestation" and "intimidation" punishable by imprisonment. But still another Act passed in 1875 by a Conservative Government enabled magistrates to substitute fine for imprisonment as the penalty of these offences and expressly legalized "peaceful picketing." The emissaries of a union might "attend at or near the house or place where a person resides or works or happens to be in order, to obtain or communicate information" without rendering themselves liable to the law. Armed with these legal privileges, the trade unions went their way, and up to the end of the century every attempt to question their proceedings had failed in the courts. The courts decided that there was only "intimidation" in the legal sense when the action threatened was of a criminal character, and they disallowed attempts to sue individuals for damages for having instigated boycotting or threatened strikes.

But though constantly rebuffed, the employers returned to the charge, and in 1901 they carried the legal citadel at a rush. The *Taff*

Vale Railway Company followed up an unsuccessful strike on their system by suing the Amalgamated Railway Society for damages, and won its case in the Court of first instance. The Society appealed, and the Court of Appeal reversed the judgment on the familiar ground that a trade union was incapable of being sued. The company took the case to the House of Lords and succeeded in getting this judgment reversed. The House of Lords held that the intention of the Legislature was irrelevant to the interpretation of the Act of 1871, and that since that Act had not expressly declared trade unions to be non-suable, the legal presumption that they were must prevail. In the civil action which followed the Amalgamated Society of Railway Servants was cast in damages to the amount of £23,000.

A few weeks later, in the case of *Leatham v. Quinn*, in which a wholesale butcher of Belfast successfully sued the local union of Butchers' Assistants which had threatened him with a strike if he continued to employ non-union labour, the agent of the union was held to be liable, and a similar inroad was made into the 1875 Act as had previously been made into the 1871 Act. The *Taff Vale* and the *Leatham v. Quinn* cases together left the law on the footing that trade unions could be sued, and that it was within the competence of the courts to decide that the established trade-union methods of "picketing" were "intimidation" and therefore actionable. The whole basis supposed to have been laid down in the Acts of 1871 and 1875 was thus shattered.

This was the nemesis of a characteristic British process. From the beginning Parliament had shrunk from the open breach with the accepted principles of law which would have been created if the trade unions had been expressly granted the privilege of non-suability. By refusing to constitute them as corporations and keeping silence about the consequences, it had hoped to save the face of the law, and at the same time obtain a general connivance which would be established by custom and usage, at non-suability. This served for thirty years, during a large part of which trade-unionism was quiescent, and it was no one's interest to disturb the foundations. But it left the whole process open to challenge as soon as Labour became active. When one great strike followed another and employers found their autocracy threatened over a wider and wider field, the general con-

sent which the assumed state of the law required was no longer forthcoming. It was now said to be as necessary to curb the power of trade unions as in the former period it was wise to give them rein.

But the judgments of the courts offered no solution. At a stroke they had reduced the law to chaos and carried the country from the extreme of indulgence to the extreme of severity. If the Amalgamated Railway Servants' Society could be cast in damages for £23,000 for one strike on a small branch railway, there was practically no strike which any union could undertake without being faced with ruin. If "picketing" without the threat of any criminal act exposed the picket to any action for damages, even peaceful persuasion became hazardous. For the time being Trade Unionists were reduced to an angry despair. They saw themselves muzzled and paralysed and the work of generations laid in ruins. They said that the spirit of class had invaded the law courts and denounced law lords, judges, magistrates, and the whole tribe of lawyers as enemies of Labour. The rumour went abroad that an eminent Lord Justice of Appeal had said openly that he was dedicating what remained of his declining years to, "smashing Trade Unions."

The lawyers replied that the judges had kept strictly to their duty of interpreting the law as presented to them by Parliament, and that they would have exceeded their functions if they had answered the question of policy which Parliament, whatever its intentions, had in fact left unanswered. How far a Supreme Court of Appeal may have regard to policy in interpreting the law is a question much debated among lawyers, but the English tradition favoured the restriction of this liberty within the narrowest limits and legal opinion then and later was that the decisions of 1901 were sound law.¹ They had merely handed back to Parliament a question which, when it came to express definition, proved to be of extraordinary difficulty and was still the subject of acute controversy thirty years later. More important for the time being, they had without knowing it strengthened the hands of the extremists who were urging the workers to form a new party devoted wholly to Labour interests. "To your Tents, O Israel" was now their cry. It had come to this, that after nearly a century of effort on trade-union lines, the strike weapon had been

¹ This was Asquith's opinion.

struck from their hands and even the peaceful picketer rendered liable to find himself in the police court. The remedy and the only remedy was to make Labour powerful as a political force, to take up "the class war" declared by the capitalists and carry it with a drilled and disciplined army into the camp of the enemy.

Keir Hardie and the Independent Labour Party thus got powerful aid from an unexpected quarter, and they used it to develop their favourite theme that justice for the workers was not to be obtained from a capitalist society. But the rank and file were by no means ready for this drastic conclusion. The Boer War was still on, the imperialist tide was still flowing, employment was good, there were no incentives to test the ground by further strikes for the time being. The majority of trade unions contented themselves with exacting a pledge from Liberal candidates to make the reversal of the law as defined by the House of Lords one of the first objects of legislation, if and when their party returned to power. Not a few Conservatives, feeling the ground to be dangerous, gave the same pledge, and though the Conservative Party itself dared not touch the subject, it shrank from any declaration which would bind it to oppose a change in the law in another Parliament. Nevertheless, the indignation of the workers at the Taff Vale and Leatham *v.* Quinn decisions contributed not a little to the downfall of the Unionist Party in January, 1906.

The subsequent stages up to the year 1914 have been told in their proper place, and it is only necessary to note here the oscillation of State policy between the Liberal legislation of 1906 and the legislation of the Conservative Government in 1927 after the general strike which again set back the clock for the trade unions. The battle was still being fought out in the law courts up to the eve of the Great War, and the Osborne judgment of 1912, limiting the right of trade unions to levy contributions on their members for political purposes, and the subsequent correction of that judgment by Liberal legislation conferring this right with safeguards for dissentients started a new controversy which was renewed after the general strike and is still unexhausted.

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Through all this period a change was going forward in the idea of the nature of government. In the early years it was still the prevalent

opinion that the functions of government were mainly negative. A Liberal laid stress on the necessity of "reform" in the sense of removing privilege and enlarging the franchise, but otherwise accepted the current definition which limited the sphere of Government to keeping order, maintaining the national defence, conducting foreign policy, and securing liberty, including the liberty of the individual to conduct his business in his own way and spend his money as he chose. Retrenchment which, as Mr. Gladstone said, left money "to fructify in the pocket of the taxpayer," was in Liberal eyes a special virtue of Governments. All this was rapidly changing in the last years of the nineteenth and opening years of the twentieth century. Chamberlain's "unauthorized programme" of 1885, with its positive proposals for the benefit of the poor, made the first serious breach with the old tradition, and in the subsequent years Chamberlain himself induced the Tory party to follow cautiously in the new path. In 1892 a Liberal Government definitely set up "social reform" as an avowed object of government, and from that time onwards "constructive" programmes and policies requiring large expenditure of public money were more and more advocated by Liberals and Radicals. The Irish question and the South African war kept this movement in check, but it reappeared in force with the return of the Liberals to power in 1906, and received another strong impetus in the social legislation of the subsequent years. But the strongest of all was still to come in the years of the Great War when the compulsory Socialism of the means of production familiarized a multitude with State control, and led large numbers to believe that if practised in times of peace it would ensure the high wages and continuous employment incident to the state of war.

CHAPTER LXV

LABOUR AND ECONOMICS

(2) AFTER THE WAR

I

THE airman some thousand feet up in the sky sees the outline of ancient fortifications and buried cities which are invisible from the ground, and so in the future the historian may see causes and tendencies at work in these times which are only dimly, if at all, visible to contemporaries. The contemporary observer of facts and events learns to distrust all attempts to cover them with formulas, and especially any which omits from the story, or dismisses as mere physical reactions, the passions and emotions, the ambitions and jealousies, the seeking and blundering, the gross errors and great achievements of individuals and Governments, which he has seen in his time. History undoubtedly has its biological aspect, its geographical aspect, its economic aspect, and all are blended in the picture of human activities which it presents to the normal vision, but no one of these can be made to dominate the rest without distortion and falsification.

Since the war ended the world has been in a state of great perplexity about what has happened and what is going to happen to it. This is scarcely surprising if we remember that there had been crowded into less than five years events which in a world at peace might well have been spread over several centuries. Four historic Empires had crashed ; over a large part of the world the map had been redrawn ; a large company of new States had come into being ; the international economic system had been shaken to its foundations, and some parts of it shattered beyond recovery. The war looked like a great watershed dividing past and present ; tradition and experience brought

from the other side of it seemed to have lost all value. The young asked their seniors into what sort of world they had been born, and the seniors, if they were candid, were obliged to answer that it was almost as new to them as to their juniors. Those who try to interpret can only pick their way between speculations and hypotheses, most of which await verification.

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This is specially true of the economic course of events in the years following the war. Here the initial difficulty is to distinguish between tendencies at work before the war and disturbances caused by it in what would otherwise have been the normal development. Long before the end of the nineteenth century, as was noted in the previous chapter, the division of labour whereby the outer world was supplying Europe with food and raw materials, and Europe—which for a large part of the period meant mainly Great Britain—paying for them with manufactured goods, was breaking down. The new and undeveloped countries, as in the nineteenth century the United States of America, Japan, India and most of the British Dominions and Colonies were considered to be, already had ambitions to provide the finished articles for themselves and were importing machinery and skilled labour in large quantities to enable them to do so.¹ But since their “infant industries”² protested that they could only live if protected from European competition, this led to the erection of tariff walls which were an obstacle to European trade. Great Britain still stood staunchly to her free system, but most of the colonizing nations, and especially Germany and France, sought to make their oversea possessions an economic unit with themselves, hoping in this way to ensure their supplies of raw material from oversea and to obtain a tariff-protected market for their manufactures in the countries supplying them.

This led to a feverish competition for the remaining “places in the

¹ The same conditions were of course at work in Europe itself, where also the industrial nations were supplying the agricultural, such as Russia, with manufactured goods in return for their food and raw material.

² Mill and the nineteenth-century economists, while willing to grant some validity to the “infant industries” argument, were generally of opinion that it could be met by limited subsidies.

sun," accompanied by a jealousy of British sea-power, which must be reckoned high among the causes making for war at the end of the nineteenth century and beginning of the twentieth. This movement is commonly called "imperialism," but that also is better understood if it is regarded as the expression in modern terms of the urge for wealth, well-being and vents for population, which has been behind the conflicts of nations since the beginning of history and under any and all systems of government. In modern, as in ancient and mediæval times, the motives at work were by no means only economic. Pride, ambition, fear, strategical necessity, security, all entered in and made a complex which is beyond explanation by any single cause.

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The consequent situation must in any case have been a difficult one, but it was enormously complicated by the war. That had two principal results. It broke up many of the established economic units and substituted for them hurried improvisations, some bearing little relation to natural needs and demands. Next, it greatly intensified the movement towards national self-sufficiency. For six or seven years the industrial nations of Europe had been compelled to cut to a minimum their supplies of manufactured goods to the outer world, and in these years many of their customers had learnt to make for themselves goods which they had hitherto imported from Europe, or, failing that, to find substitutes for or even to do without them. Japan, practically out of the war, had immensely increased her industrial plant and, aided by her cheap labour, had invaded markets hitherto the monopoly of Europeans. America had obtained a long start with her mass-produced articles. India was not only taking her cotton from Japan but was increasing her cotton mills and iron and steel factories and demanding protection for these. The same was true in a lesser degree of the European neutrals. All these, being cut off from their normal sources of supply during the war, had either learnt to make for themselves a great many things that they had hitherto imported or had supplied one another in a manner which made them independent of the belligerents. Equally important during these years, agricultural protection was being immensely increased in all European countries to the further destruction of the theory that

they would buy their food by the export of manufactured goods.

It would in any case have been difficult enough in this disordered world to restore the even flow of goods and services on which the value of currencies and the stability of their relations to one another had depended. But now followed the great calamity of German Reparations handled by politicians who were unable to understand that the great bulk of German payments must be in goods, and that an inordinate demand would bring disaster to the normal trading system of the world, since there would be a one-way traffic of goods going out from Germany without the corresponding imports necessary to balance the trade account. The mass of the uninstructed public in the creditor countries thought of the German payments as "money" due to them, money which could be paid as easily by one country to another as a butcher's or baker's bill is paid by a cheque. German goods competing with their own manufactures were the last thing that they wanted, and when these multiplied in response to the pressure for payment, they raised their tariffs to keep them out, thus preventing their creditor from paying them except in gold. In the meantime the United States was making the same demands for the payment of her debts by the European Allies as they were making on Germany, and placing the same obstacles in the way of payments, to the embarrassment and confusion of her debtors, of whom Great Britain was paying by far the largest amount. The result was that the greater part of the world's gold supply gradually found its way into the vaults of the two chief creditor nations, the United States and France, where it either lay sterilized or formed the basis of a dangerous inflation.

Gold in the pre-war world had three main functions. It served as a basis for domestic currency; it provided a common measure of the principal currencies, each of which had a fixed parity with gold; and by its transfer in comparatively small amounts it served to redress the trade balance when goods and services as measured in bills of exchange flowing one way had not found their level against goods and services flowing another. Thus in the first half of the year gold was sent from New York to London to supplement the deficient quantity of bills representing exports from America to Great Britain in that period, and in the last half of the year, when American exports

and the corresponding produce bills were flooding the London market, gold was sent back from London to New York to make good the deficit in British exports and the corresponding bills. In this way the variation in the exchange rates between dollar and pound was kept within narrow limits in spite of the seasonal fluctuations. Gold left London for New York when the pound fell to 4.85 dollars and left New York for London when it rose to 4.88 dollars.

No competent banker or financier in the former times had dreamt of gold filling the place of goods, or of its being tendered in payment of large accounts, and it soon became apparent that there was not enough gold in the world both to play this part and to serve the ordinary purposes of international trade. The nations "on gold," i.e. those who had contracted to pay gold or gold values on demand, found themselves drained of their gold reserves, and in an increasingly precarious position in case a sudden panic or crisis sent any large number of creditors demanding payment on this basis.

After four years the demands on Germany reduced her to bankruptcy, and the downfall of her currency was soon followed by that of the French who found themselves compelled to liquidate from their own resources what they had relied on Germany to pay. The payments demanded from the Germans were greatly reduced under the Dawes and Young schemes of 1925 and 1926, but even on the revised scale, which required annuities of from £100,000,000 to £120,000,000, they could not be transferred to the creditor nations under the existing tariff system. With its broken exchanges and rising tariffs, Europe stumbled on for the next five years, but the crisis was only postponed because the United States was now lending Germany the chief part of the money to maintain her payments, and thus reducing Reparations to a book-keeping account from which the United States had finally to write off the amounts due to herself (and advanced by herself) as an irrecoverable bad debt. When American lending ceased, as it did suddenly at the end of 1929, the whole edifice of Reparations and international debts came crashing down and the true situation was revealed.

Small wonder if the arraigners of the present order claimed this sequence of events as proof that the capitalist system had broken down.

Capitalists who had so signally failed to understand the nature of their own operations could not complain if they were held responsible for the result. But it is impossible to imagine any system which could have borne the strain of the follies committed during these years. If their writings are examined, the capitalist economists do not come badly out of it. Maynard Keynes, Professor Cassel, Professor Cannan, and many others had begun warning and remonstrating while the Peace Conference was sitting, and year by year whenever the Economic Committee of the League of Nations assembled, it repeated their warnings. Experts might differ about details, but they were agreed about the nature of international trade. This was not a "system," in so far as that word implied deliberate and systematic planning; it was a gradual adaptation of means to ends, spread over many generations and producing in the end a self-regulating machine which worked so smoothly that those who used it came to take it for granted without inquiring into its nature or the laws of its action. It was a commonplace of the fiscal controversy in Great Britain at the beginning of the twentieth century that large numbers of intelligent people could with difficulty be brought to believe that imports were paid for by exports, and were altogether incredulous about the "invisible exports" which experts of the Board of Trade brought in to balance the account. The same misconceptions persisted for years after the war, and otherwise capable men of business could be heard all over the world demanding at one moment that Germany should pay and at the next insisting on raising the tariff walls against the goods in which alone she could pay.

An all but complete paralysis of international trade would have been only a question of time if the creditor nations had persisted in their demands on Germany. But in the same years all the circumstances were aggravated by the orgy of economic nationalism which followed the war. Between the demand for Reparations and the deliberate choking of channels of trade it became impossible to maintain the ever-flowing goods and services on which in the last resort the stability of currencies depended. To sell without buying; to avoid at all costs the excess of imports over exports which paradoxically was called an "adverse balance," though a positive condition of profitable trade; to add to tariffs special countervailing duties to prevent any country

with a depreciated currency getting the advantage of selling cheaply to its neighbours ; and, when these expedients failed, to limit imports by quotas—became now the practice of all the Governments, to the destruction of the old self-regulating machinery of exchange. It was not long before commercial debts were in the same plight as official debts, being “frozen” in some countries for sheer lack of the means to transfer the payments due on them, and irrecoverable in others owing to the bankruptcy of the debtors. Banks with foreign commitments were almost everywhere in difficulties, and in order to trade at all several nations were reduced to something like primitive barter. Heroic efforts to anchor or re-anchor currencies to gold often made bad worse, since the parity chosen was a guess, and too high a guess handicapped a country’s export trade, and too low a guess gave it an unhealthy and often only temporary stimulus.

The idea of a “managed currency” was much debated in these years, and the “exchange stabilization” funds by which the Governments endeavoured to keep fluctuations within bounds by judicious buying and selling of their own and other currencies had some success, when the fluctuations were within a limited range. But it remained extremely improbable that bankers or Finance Ministers or any other experts could ever possess the knowledge and foresight which would enable them to forecast the seasons, the changes in human taste and demand, the effects of politics on trade, and all the other varying and variable factors which were automatically registered by the old self-regulating machinery of exchange. To supersede the “plebiscite of the market” by conscious willing and planning was proving extraordinarily difficult within the boundaries of a single country ; to supersede it for the whole world was a task beyond human capacity.

5

Gold fell into undeserved disrepute in these years largely from the experience of Great Britain which after returning to gold in 1925 was driven off it by stress of events in 1931. But the mistake made in 1925 was not returning to gold but returning to it at pre-war parity. That was a guess at the exchange value of sterling which turned out to be 10 per cent. too high. A heavy penalty was thus inflicted on the export trade with a trail of disastrous consequences—coal strike,

General Strike, etc. The crisis of 1931 was not in its origin a gold crisis but a credit crisis. The responsibilities for this are still a subject of acute controversy, but certain things are fairly clear. The financial collapse in Austria and Germany which followed the American crisis threatened the position of London, which had borrowed short and re-lent large sums to those two countries and Central Europe generally. The original lenders now began to demand their money back and London could only get the relief it needed by satisfying the other central banks that the British internal situation was sound—a point on which the finance of the Labour Government and the Report of the May Committee had raised serious doubts. Relief came with the change of Government and the prospects of a balanced Budget, but exaggerated reports of a mutiny in the British Navy renewed the alarm and led to a second run on London, and this time a compulsory departure from gold. This experience was not a reflection on gold, though a timely reminder that no banking or credit system is proof against sudden rushes to withdraw, and that such rushes are peculiarly dangerous when bankers have lent on long term what they have borrowed short.

The currency experts fell a good deal in public esteem by declaring in one week that to go off gold would be a national calamity, and in the next that it was a blessing in disguise, but so far as Great Britain was concerned they were nearer the mark in the second than in the first of these prognostications. Sterling released from gold now found its true value in the exchange market, and the penalty upon exports was removed. At the same time the balancing of the Budget by economies and fresh taxation removed the fear that the British Government would be driven to inflation, and falsified the gloomy prediction that the pound sterling would run down like the mark and franc in 1926 if unanchored to gold. Sterling found its level in the exchange market and kept its internal purchasing power practically unaltered.

There was, nevertheless, a considerable contra-account to our departure from gold. It caused a further immense dislocation in the already disordered exchange markets of the world; it worsened the position of the gold standard countries, especially Germany and America, and led eventually to the imitation of our example by the United States and a further intensification of the depression in the

countries remaining on gold. It may still have to be said that however unavoidable, and even temporarily beneficial, the departure from gold was for Great Britain, it was in the long run a misfortune for her as for the rest of the world.

The balanced Budget was a necessity for Great Britain whether the pound was on gold or off it. The belief that there would be no trifling with British finance had made London a city of refuge for the foreign depositor, but had also made its position peculiarly precarious if he fell into a panic and demanded his money back. With orderly finance London recovered its position, but no financial rectitude by one country could solve the international exchange problem. Sterling might be relatively stable in the general flux, and this was an advantage to Great Britain and what came to be called the sterling bloc. But a standard of value to which all the currencies might be referred, and which might save them from an incessant stellar dance in their relations with one another, remained an object of desire for all nations, and though much ingenuity had been spent on it nothing better than gold had been discovered to serve this purpose. When the Economic Conference assembled in London in 1932, most of the delegates had in their minds the idea of an eventual return to gold at agreed parities which represented their true exchange values. But this required the co-operation of at least the three great creditor nations, Great Britain, France and the United States, and of these three the last had just embarked upon a great experiment in managed currency for which it was essential that the President should keep a free hand in dealing with the dollar. His refusal to join brought the proceedings to an abrupt end. It was plainly useless to try to stabilize either the pound or the franc if both might be required to adjust themselves to an arbitrarily devalued dollar in a few weeks or months.

By this time the monetary question had become a complex of interacting causes none of which could be treated separately. Every examination drove this fact home, and incidentally revealed the essential unity of the system on which world trade depended. A conference of distinguished experts from Europe and America sat at Chatham House in London for three days in the spring of 1935. It started with an agenda dividing its proceedings into three parts; the first day to be devoted to tariffs and other Protectionist devices, the second to

monetary questions, the third to the political situation in its relation to economics. These boundaries were obliterated in the first hour of its proceedings. It was impossible to discuss tariffs without trespassing on currency, or to get far with either without including politics. There was unanimity that the great creditor nations should be brought together as soon as possible to solve the problem, but evidently it could not be solved unless these nations were willing to stabilize their tariffs as well as their currencies, and when they had done both it would still remain for them to stabilize their politics, since a political panic which sent short-term lenders rushing to London, Paris or Washington to get their money back might in a few hours wreck the best-laid plans.

6

Currency is thought to be a forbidding subject except by those with whom it is an obsession, but the briefest study of it reveals, as nothing else, the underlying postulates of the international trading world. These are *peace and freedom*. The international economic man hates war and all emotional crises which destroy confidence or threaten his values. He moves along the lines of least resistance, seeking his profit wherever he can find it. He prefers co-operation to competition, and division of labour to a scramble for spoils. With his trusts and cartels and interlocking organizations he breaks through or circumvents the tariff walls and other obstacles which national and patriotic man is for ever placing in his path. If he and his kind were left in possession and economic advantage were the sole or even the dominant motive of human action, they would rapidly make of the world the federal unity overriding national sovereignties and using one universal currency which is the far-off object of desire of pacifist and idealist.

But this man remains an abstraction. The actual business man shares the passions of nationalist man and is swept with the same tides of patriotic feeling as his neighbours. In vain does Sir Norman Angell preach to him that war is fatal to his profits; when war is in sight his thoughts are on the common level to which the argument is irrelevant. But there are moments when the conflict between the two sorts of men seems suddenly to leap to life. National and patriotic

man, reaching his perfect embodiment in Nazi Germany, recognizes the Jew as the incarnation of the international economic man and falls on him with implacable ferocity.

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We must return to the more prosaic results of the currency confusion. With her balanced budgets and orderly finance Great Britain was able to go off gold and gain positive advantages by so doing. But the countries which remained on the gold standard were subject to an increasing strain. France was in special difficulties. Her franc anchored to gold was relatively too high in the exchange market with results that, added to those of her tariffs, were disastrous to her foreign trade. The resulting impoverishment and unemployment brought disorder to her internal finance and in 1935 landed her in much the same position as Great Britain in 1931. But she feared to go off gold lest her experience in 1926 should be repeated, and the franc collapse internally as well as be devalued externally. With her Budget unbalanced this fear was well-founded. Her borrowing powers were near exhaustion; the nightmare of printing paper for current expenditure seemed not far away. But the only alternative was a drastic cutting of expenditure and raising of new taxation—a process of “deflation” least to be desired when industry is at a low ebb and likely to be resisted by its victims many of whom were already impoverished and on a low standard of life. The far-reaching effects of currency confusion not merely upon external trade but upon daily life, social order and even forms of government have been illustrated in her case as in so many others.

By degrees all the Governments have discovered that they cannot carry on currency and tariff wars with one another without being threatened with confusion and even revolution in their own countries. The economist who said that gold and machine-guns were close allies has had something to say for himself in these days. The premature return to gold had produced the General Strike in Great Britain; the effort to remain on gold had exhausted the French people and led to rioting and bloodshed in their streets. *Auri sacra fames* seemed to have acquired a new meaning in these times. But it was not intrinsically gold which was the cause of the trouble. The precious

metal still retained the qualities which in a world of orderly finance and amicable trade relations had made it the best attainable standard of reference for the different currencies, but, being an inanimate object, it could not instruct the statesmen and financiers of a very different sort of world how to restore their disordered currencies to a stable relationship with itself.

CHAPTER LXVI

THE DEPARTURE FROM FREE TRADE

I

THE departure from Free Trade is an integral part of the whole economic story, but in a history of Great Britain it needs some separate consideration. Looking back on it, we may see it rather as a stroke of fate than an act of policy. To Liberals and Free-Traders the Conservative members of the National Government seemed to have seized the occasion of the national emergency to compel the country to accept a part of their programme which it had always rejected when presented as a straight issue; and the inclusion of so fundamental a change in what MacDonald had vaguely called his "doctor's mandate" lent itself to this construction. But there were causes at work which make all current political explanations seem superficial.

Free-Traders claimed with justice that British finance rooted in Free Trade had stood the shock of war better than any other in the world. But when the war ended, Great Britain, like others, had to make a new start. Most of her old trade routes had been irretrievably blocked or diverted. Many of her former customers had gone elsewhere, or were now seeking to supply themselves with what they had hitherto bought from her. During the war she had sacrificed a large number of her foreign investments, and had now in much larger measure to pay with exports for the food and other commodities which had formerly come to her as interest on these. On the whole she made a remarkable recovery and by 1929 seemed to be adapting herself to the new conditions, developing new trades, fighting tariffs with free imports as before, and with considerable success.

But there was a new feature after her return to the gold standard. The higher valuation of the pound put a premium on imports and a penalty on exports, with the result that the former continued to expand while the latter remained stationary. This gave rise to alarming speculations about the "balance of trade." How long, it was asked, if this went on, would Great Britain be able to pay for what she was buying, and what would happen if she were unable to pay? Controversy on this point gave a sudden new impetus to the Protectionist movement. The old argument against tariffs was said to be out of date; a tariff was necessary not to protect the home manufacturer against his foreign competitors, but to redress "the adverse balance of trade" threatened by excess of imports. Great Britain must be prevented from buying what she could not pay for and taught to live within her means. Eminent Free-Traders like Sir John Simon and Mr. Runciman declared themselves impressed by this argument, and Mr. Maynard Keynes, till then a Free-Trade economist, said that a 10 per cent. duty on imports had become a necessity.

The great majority of Free-Traders held to their position. They said that given time the balance would redress itself, through the automatic working of the exchanges and that no harm would be done if it were against us for a short period. It was in their view more a seeming than a reality, for there was no precise estimate of the "invisible" items on the export side or of the indirect payments Britain was making in the total world account. Respect for the gold standard was so great at this time that hardly anyone ventured to say that the evil, such as it was, would soon disappear if the pound were detached from gold. The argument became elaborately statistical, and with so many experts engaged in it the impression was conveyed that Free Trade was an open question which might have to be reconsidered in the light of the new circumstances. Doubting Free-Traders and wavering politicians found salvation in the theory that the tariff, otherwise objectionable, was the right remedy for the "adverse balance."

Behind these theorists was a solid body of commercial and financial opinion which held that to raise prices was an imperative necessity, and was ready to welcome any measure which promised to have

that result. British wages were by far the highest in Europe and immensely higher than Japanese ; to reduce them in face of Labour opposition was all but impossible ; therefore, it was argued, employers must be guaranteed a price for their goods which enabled these wages to be paid. If the result was, as orthodox economists alleged, to increase the cost of living for the wage-earners, that in the circumstances was the fair and inevitable result of high wages, and the proper way of balancing the account between employers and wage-earners. In no other way could British wages be maintained against the competition of the low-wage countries, when costs of production had been reduced to their minimum and the point passed at which high wages paid for themselves in greater efficiency. The argument assumed that this point had been passed, but on its own assumption it had weight, and it carried the day with a large number of manufacturers, and even bankers and shipowners, who had hitherto been staunch Free-Traders.

A further argument which had some influence was that a protected market was a necessary condition of the modern method of mass-production. Capital, it was said, would not be embarked on the immense plant which this method required unless it could be sure of the corresponding sale for its output, and this could only be guaranteed by a tariff. Free-Traders replied that this was precisely the theory which had brought disaster in America, since the same tariff which had been declared necessary for the establishment of mass-production had prevented it from selling its surplus product to the foreigner. Moreover, if all the big industries enjoyed Protection, they would raise prices against one another and check production in that way.¹ However, it was undeniable that American big industry had enjoyed ten years of prosperity, and it was said that British common sense would keep tariffs within reasonable limits.

But what prevailed with the man in the street, and led him to acquiesce in the great change, was the picture of Britain unarmed and friendless in a world of hostile and highly protected competitors

¹ In the autumn of 1935 the mass-producers of motor-cars complained bitterly that under cover of Protection the iron and steel manufacturers were raising prices against them to the great prejudice of their industry.

which more and more presented itself to his vision. He had fought a good fight, kept his markets open all over the world, and his reward was to be the target of everybody, to see his country made the solitary dumping-ground for the cheap goods of rivals and supplanters who refused to admit his goods to their markets. This was more than human nature could stand. The foreigner had had his chance; if he refused to take it and rejected our advances, we must treat him as he treated us—keep him out of our markets as he kept us out of his. Against this strong sentiment theoretical arguments broke in vain, and the Government judged rightly that the country was willing to see the experiment tried.

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Maynard Keynes said after the country had departed from gold that a tariff was no longer necessary, since the "adverse balance" would now balance itself through the normal working of the exchange system. But he was too late. The argument had done its work, the Conservative party was now in the saddle; the politicians who had found salvation in the balance of trade were too deeply committed to draw back. With an enormous Conservative majority in the new Parliament, "the doctor's mandate" was easily stretched to cover a complete Protectionist system guarded by the proviso—an important one—that it should be administered by an independent Committee.

Under this Committee, which did its best to keep vested interests in control and to check tariff lobbying, Protection escaped some of the evils which attended it in other countries. The next four years were undoubtedly a period of prosperity in the home trade, and unemployment was reduced by nearly a million. Protectionists naturally claimed this as a justification of their policy, but how far it was due to tariffs and how far to exceptional causes like the great housing boom can only be decided by time. The fiscal question played little part in the 1935 election. Free-Traders were disposed to admit that the expansion of the home market under tariffs had been greater than they had thought probable, but in any case they recognized that any further change in the basic conditions of trade was undesirable for the time being.

Orthodox Free-Traders had never denied that considerable advantages might be obtained, at least temporarily, for home industries by means of a tariff, but they had held that these would be purchased too dearly. This too can only be decided by time. But undoubtedly there was a considerable contra-account even in these years. In spite of the help given them by the new valuation of the pound, exports remained stationary, while imports, as expected and intended, declined. Further, the new system stabilized, if it did not intensify, the depression in the export trades and left the areas which were chiefly dependent on them in a state of decay which now seemed permanent. Iron and steel could partly recoup themselves from the greater demand in the home trade, but the plight of coal, so far as it depended on exports, and of shipping and shipbuilding, seemed permanent. The "black areas" looked blacker than ever, as the others prospered and the population streamed south after the new industries which by a common instinct followed prosperity and decided that their future lay in the south. This led to a great shift in the balance of population and distribution of earning power, the consequences of which are far from exhausted.

To this it must be added that the new British policy added greatly to the confusion in world trade. Great Britain might be justified from her own point of view in following the example of her neighbours, and they certainly had no right to reproach her, but the closing of the one great free market was bound to create further difficulties, and it came at a specially untimely moment for the nations that were still struggling to remain on gold. All felt the repercussions; ¹ many of the best customers of Great Britain suffered heavily; British capital invested in foreign countries and British money lent to foreigners suffered a fresh insecurity. The return to general prosperity on which in the long run the increase of British prosperity depended seemed farther off than ever. The one gleam of light was that the volume of world trade had not fallen in anything like the same

¹ In Germany it was a serious blow, entailing political as well as economic consequences, to the Government of Herr Brüning, then engaged in its last struggle against the rising tide of Nazism.

ratio as its value measured in gold prices. Thus between 1929 and 1934 the value of world imports and exports fell from 100 in the first year to 34 in the last, whereas the volume fell to only 72.

British Ministers announced that their policy was a low-tariff policy, and held out hopes of the formation of a low-tariff group of which Great Britain would be the leader. But to a considerable extent they had tied their own hands by the Ottawa agreements of 1933, which bound them for five years to maintain at their existing level duties on which preference had been given, to impose new duties on certain imports in which the Dominions were interested, and to regulate by quotas the imports of chilled and frozen meat, bacon and ham from foreign countries. This resulted in a further decline of the proportion of foreign, as distinguished from Empire, products imported into Great Britain, and incidentally placed the British Government in a difficult position between the demands of the British farmer and its pledges to the Dominions. But whether good or bad in these respects, the Ottawa agreements were a new complication in the tangled skein of world tariffs. With the innumerable regulations that now beset it—tariffs, preference, quotas and in some countries exchange controls which reduced trade to barter—foreign trade was more than ever difficult to carry on, and Great Britain was as deeply involved as her neighbours. The experts continued to inveigh against this collective folly, but there was now no nation in a position to show the way out, whether by precept or example. After the Ottawa agreements Great Britain was deprived of the argument by which in former days she had been accustomed to justify her claim to rule a quarter of the globe—namely that all her neighbours had the same opportunity of trading with it as she herself. The political consequences of this may be discovered in the future.

4

A prosperous or relatively prosperous Britain in a world which—with rare exceptions—was still struggling with adversity, was the picture which presented itself in the year 1935, when this narrative closes, and it seemed to justify the claim of the Government that its Protectionist policy had succeeded. But it raised certain questions which may be briefly glanced at in conclusion. During the ten

years after the war the United States had stood in the same position to the rest of the world, and it was confident that it had discovered the secret of prosperity. A traveller visiting that country in any of the years between 1921 and 1928 heard on all hands one formula constantly repeated. This was that the idea of a saturation point in the consumer was as dead as the old wages fund theory of Europe. Provided that the producer went on producing, there was no limit to what the consumer would consume. The traveller was asked to look round him and observe the American scene—a whole continent caught up in a whirl of producing and consuming; streams of cars pouring out upon expectant motorists; furniture, houses, typewriters, mangles, refrigerators, fountain pens, watches, jewellery, and other things made in the mass way chasing a multitude of buyers who were only waiting to be caught—all this in ever-widening circles under the influence of an automatic self-regulating process which could never cease. It did cease, and the soaring edifice of speculation, based on the assumption that it would go on for ever, collapsed in a night. Americans now began to discover that big as their own country was, it was too small to give their theory of unlimited demand a fair chance so long as it was shut off from its neighbours by an almost insurmountable tariff. American mass factories might have supplied the world with the commodities they produced and left it asking for more, but there was a fixed limit to the amount of these commodities that the American people could consume.

The less excitable British people are unlikely to be carried out of their depth by any sanguine theory of prosperity, and their bankers are on guard against letting credit be embarked on speculative booms. But the American experience is a warning of the limits of expansion in the internal market, which should keep the British trader reminded of the importance of recovering his external markets. In the meantime the Free-Trader has the consolation of seeing that, though his doctrine is discarded by the nations individually, it is preached more and more insistently as the way of sanity and prosperity for the world collectively, both from Geneva and wherever economists of repute are gathered together. Free Trade is for the time being in the same plight as Disarmament. Everyone admits that it is good for all; very few admit that it is good for themselves.

CHAPTER LXVII

THE AGE OF PLANNING

I

LOOKING back on the post-war period, the student of British economic conditions is more inclined to be surprised that Great Britain came through so well than that she suffered from depression. The war had inflicted an enormous waste of men, material and capital resources, and left her with a burden of debt which, when all allowance is made for the change in money values, any pre-war Chancellor of the Exchequer would have considered it totally impossible for her to carry. Yet she financed this debt, spent sums hitherto undreamt of on unemployment insurance and social services, balanced her Budgets with comparative ease, and at the same time the great mass of her population both spent more and saved more. The savings of the working people, which in the last pre-war years had been estimated at £500,000,000, mounted up in the fourteen years after the war to nearly £3,000,000,000, despite the fact attested by all observers, that they were better fed, better clad and had more to spare for sport and amusement than at any previous time.

How was it done? Two causes greatly contributed. In the first place, in spite of the immense consumption of capital in the Great War, there remained at the end of it some compensating factors. By no means all the expenditure for war purposes was waste. Owing to the feverish effort in the making of munitions Britain, which before the war had lagged behind her principal competitors, Germany and the United States, in steam power and electric power, came out of it level with them, and in a position to take fuller advantage of the new methods of mass-production. At the same time research had

been intensified and technical progress made in many branches of industry which was now available for production in peace.

Next and of still greater importance in these years was the cheapening of agricultural imports relatively to British manufactures. Since 1914 this change has at times been of the order of magnitude of 40 per cent., and though it bore hardly on agriculture, it rapidly brought food prices down from their war level to the great advantage of the mass of the population. Great Britain, being during these years without food taxes, was able to enjoy it to the full.¹

These two factors go far to explain the seeming paradox that in a period generally supposed to be one of deep depression, Britain was able to bear the immense load of taxation imposed by her war expenditure and her provision for the unemployed and other social services with so little apparent discomfort. When all allowance is made for the increased cost of living, the real wages of the workers have substantially increased, and, great as has been the load of taxation on other classes they have suffered no privation comparable to that inflicted on the same classes in other countries. A large part of this taxation has in effect been not a deduction from, but a redistribution of, the national income to the general advantage. But there are other causes which are beyond statistical analysis, and high among them we may rank the skill and adaptability of British workers and business men. In no other country have so many new businesses sprung up in the years since the war, or has greater ingenuity been shown in providing a variety of commodities. Here we have profited by not being totally given over to mass-production. Our eggs are not all in one basket and do not all smash together at the coming of depression.

Much has been said about the effects of machinery and invention upon unemployment—technological employment it is called—but statistical analysis assigns very little to this cause. It is easy to point to particular cases in which changes of method have led to considerable unemployment, but on the whole the best-equipped industries, such as the motor industry, have in a short time absorbed a great deal more labour than they have displaced. It is true that the amount of manual labour in any given mass-produced article is constantly declining, but

¹ If we call food prices for 1924 100, the wholesale prices had fallen to 57.5, and retail prices to 67 by 1933.

the multiplication of these articles redresses that process, and in the meantime the amount of "mental labour," if it may be so called, the labour in management, design, research, etc., is constantly increasing. The broad truth is that employment has not kept pace with the increase of the working population. In 1935 it was about at the level of 1929, and the volume of production as measured by the Board of Trade indices was also somewhere near that level. That is to say about the same number of people were producing about the same amount of goods, and the unemployed were approximately the number which would have been absorbed by emigration before the war.

The British method of meeting unemployment by insurance was much misunderstood abroad, and especially in America where it was derided as the "demoralizing British dole," but it was essentially the right solution, as others discovered later, and some too late. A future age may look back upon the "British dole" of this period as the beginning of an organized system of giving security to all classes of workers and spreading leisure without loss of income; as industry expands. Its association with a particular class called the "Unemployed" is no necessary part of it.

2

Except for the export and shipping trades, where depression was grim and chronic, the figures of unemployment (which now for the first time included women and boys) were by no means a conclusive test of prosperity and depression in these years. Yet since Great Britain was alone in publishing them, their appearance week by week during this time presented a gloomy picture of her condition; and when her crisis came in 1931 and she seemed unable to finance her growing liabilities under this head, the alarm in foreign countries was proportionately greater. For years they had shaken their heads and predicted that the burden would break her, and now their predictions appeared to be coming true. This must be reckoned among the causes which led to the general misjudgment of the British economic position at this time and, correspondingly, to the general surprise when Great Britain weathered the storm and recovered more rapidly than her neighbours.

But for her own welfare the regular publication of these figures

was wholly good. It kept the public aware as never before of the problems of poverty, and stirred their conscience to the need and duty of active measures to solve them. While these figures appeared week by week or month by month (as was the later practice) it was impossible for Governments to rest and be thankful. Every Government was expected to have a policy for dealing with unemployment, every leader of Opposition to have a constructive programme for unemployment. Summer schools, party conferences, clerical meetings, devoted themselves to the subject, newspapers and magazines were full of it. In the course of this debate the whole structure of society was laid bare, and exposed to the scalpel and dissecting knife in the hope of discovering the source of the evil.

The left-wing of Labour took advantage of the occasion to arraign the whole social order described as capitalism, and prepared a programme for abolishing it within a few weeks of the return of their party to power. There was to be no more temporizing, as in 1924 and 1929-31, the banks were to be seized, land and all the more important industries nationalized, and if a Parliamentary minority or the House of Lords or the law courts or "Buckingham Palace" blocked the way, the next Labour Government was to sweep these obstacles aside and govern by decree for such time as might be necessary to establish the new order beyond the possibility of its being revoked by a change of opinion. The authors of this programme clearly contemplated a revolution on the Marxian model, and they did not shrink from the suppression of liberty, Parliamentary Government, and what in normal society is called justice, which it involved. They were unqualified admirers of the Russian system, and saw in the process by which it had been achieved only the necessary means to ends.

Two causes checked the spread of these ideas; one the recovery of Great Britain during the years 1933-5, the other the triumph of Hitlerism in Germany, which suggested that an attempted Communist revolution, or even the lively fear of it, might here, as there, lead to a very different kind of dictatorship from that contemplated by the Socialist League. Sir Oswald Mosley helped this suggestion by his Fascist movement, and then in his turn found himself sharply checked by the demonstration in Germany of what Fascism, or its variant Nazism, meant in practice. Proof offered by any of the European

revolutions that these methods promised greater prosperity or a more acceptable way of life for the mass of people than was enjoyed in this country might have had a different result, but nothing so far accomplished in either Russia, Germany or Italy seemed to justify the sacrifice of life, liberty and law which they plainly required.

In so far as it was imbued with these doctrines, the Labour Party was prevented from taking advantage of the natural reaction from the party in power. But the country was left in the position that the only alternative Government in sight was one which threatened it with a revolution, and that such a party might be brought into power by any widespread dissatisfaction on either home or foreign affairs with the existing Government. To this extent the normal working of Parliament by controversy between two parties, both of whom accepted the fundamentals of the existing order and either of whom could be trusted to carry on without subverting them, was in suspense.

The fear of revolution was for the time being a useful asset to the National Government and the Conservative Party, but it was not a stable foundation for Parliamentary Government. So far that had worked by alternations between Governments professing the same fundamental principles, however they might differ about their application; now the serious question presented itself whether any Parliamentary system could survive alternate periods of Socialism and individualism—whether, in fact, Socialism could come to power in this country without finding itself under the same necessity of extinguishing its opponents as was pleaded by the European Dictators.

3

Being cut off from revolutionary solutions, both the other parties fell back on "planning." "Planning" became the watchword of both, and in the search for plans what the previous generation called political principles fell into the background. There were Conservative plans and Liberal plans, but the question about most of them was not whether they were Conservative or Liberal but whether they would work. The word covered a multitude of different objects—some like provision of roads, docks, and water-supplies, the laying-out of towns and suburbs, erection of public buildings, afforesting, draining of marshlands, prevention of coast erosion, and the like, were

within the acknowledged sphere of State action, and the only question that arose about them was whether in a large sense they would be useful and profitable, and whether they were best or could only be done by the State, and whether the State could afford them.

Others presented a new model which combined a measure of State control with private enterprise, as in the London Passenger Transport Board, the Electricity Board and the B.B.C. But others were undoubtedly an invasion of private enterprise and sought to supersede the operation of supply and demand by regulating supplies and fixing prices for the benefit of classes threatened by depression, whose survival and prosperity were said to be essential to a well-balanced community. The Minister of Agriculture in the National Government endeavoured to bring relief to agriculture in this way. His method was to convert each department of the industry into controlled monopolies taking bacon, milk, stock-breeding, hops, potatoes, simultaneously or in succession, limiting the amounts produced at home or admitted from abroad, and fixing the price which he thought the public ought to pay. But his schemes raised many difficult questions; good or bad harvests might equally upset his calculations; the prices he fixed might drive the home produce out of the market and actually bring in the foreign produce which he meant to keep out; his quotas might have the effect of paying the foreigner more than before for a greatly reduced supply. And even if his schemes succeeded, he ran the risk of restricting agriculture by stabilizing conditions for a favoured class which he found in possession, and eventually causing a revolt among consumers which would destroy his scheme. Disguise it as he might, planning on these lines had for its final object to make the public pay more than they otherwise would have paid for home-grown food, and if it failed in this it could be of no benefit to agriculture. At the same time the subsidies which accompanied these schemes imposed a heavy burden on the taxpayer, and some of them, like the beet subsidy, had manifestly failed in their object, but could not be wound up without inflicting great hardship on the industry which had been built up on them.

The planner's plea was that the public could afford it, that if Britain's agriculture were extinguished the physique of the country would suffer and the public be at the mercy of the foreigner, who in the

long run would compel it to pay even more for its food. His opponents replied that agriculture was more likely to find its way back to prosperity if not put in these fetters, and that no effort of this kind could make the country self-supporting or release it from its dependence on overseas supplies. Whatever might be said on these general grounds, the Minister's experiments brought out the extreme difficulty of substituting regulated production and price-fixing for the normal operations of supply and demand. Home-grown bacon became beyond the means of the poor, and the surpluses of milk could not be sold to them at prices within their means for fear of lowering the legally fixed price. These were inevitable consequences when the State resorted to price-fixing, but they led to much discontent.

The sense of curable disorder in the economic system was, nevertheless, one of the good symptoms of these years, and to find the mean between subversive upheavals, which would make worse confusion, and helpless inaction on the part of the State was now the professed object of the non-Socialist parties.

4

"Planning" indeed was the main occupation of most Governments in these years. Across the Atlantic, President Roosevelt was busily at work on it, with all the world looking on. He had done his country the great service of allaying a nation-wide panic by his prompt and courageous action in his first days of office, and he now called into counsel economic theorists and experts of all schools and with their aid launched the "New Deal" with its numerous agencies for regulating prices, output, wages and credit over the whole field of industry, and starting public works for the benefit of the unemployed, who numbered nearly 15,000,000. The most important of these were the National Recovery Administration (N.R.A.) and the Agricultural Adjustment Administration (A.A.A.), the former having the task of arranging "codes" for industry with the purpose of eliminating unfair competition, lessening unemployment, shortening hours and increasing minimum wages. To all intents and purposes the Constitution was suspended and for two years until the reaction set in and the Supreme Court pronounced some of the more

important of these measures unconstitutional, the President had the field to himself, and in his hands he held the power of changing all values by devaluing the dollar. But in one vital respect his position differed from that of the European dictators. He could not extinguish the legislature and the law courts, silence the Press and treat opposition as treason. He worked to a vociferous chorus of comment, criticism and complaint, and to a time-limit prescribed by his period of office and the necessity of getting it renewed. This made the American experiment far more interesting and instructive to the onlookers than any other, but it raised the question whether a supreme planner could do his work if he were driven this way and that by veering gusts of popular opinion.

There is no final account for an effort of this kind and whether Mr. Roosevelt succeeded or failed, or whether he was prevented from succeeding by the intervention of the Supreme Court, will probably be debated for generations. That he succeeded in averting a worse calamity can hardly be questioned by those who realize the state of economic anarchy and the dangers of civil tumult which confronted him when he succeeded to office in March, 1932; nor can it be doubted that the prolonged inquest into social conditions to which he submitted his countrymen was of high value and had permanent results in legislation. If his National Security Act succeeds in establishing unemployment insurance, old age pensions and other social services, that alone would make a permanent change in American life. But it is still an open question whether he made any lasting change in the economic structure which he found when he entered into office.

As he went forward that structure revealed complexities undreamt of by his indefatigable planners. It was as though the brain of a human being, having suddenly become conscious of the disorders of his body, had decided to take it in charge, to control the blood stream and the red corpuscles, to issue orders to the phagocytes, to instruct the liver how it should do its work, and the lungs when they should expand and contract. The President's "brain-trusts," as they were called, had perfect plans for operating on one part of the body politic, but were perpetually astonished by the reactions on other parts. The "managed currency" could be managed for the benefit of debtors or for the benefit of creditors, but not for both at the same time. The

tariff which suited farmers could not be the tariff which suited manufacturers. Money intended for the unemployed passed in streams into the pockets of the profitably employed. Drought, dust-storms, failure of crops in other countries and other unforeseeable events defeated the best-laid schemes for crop restriction. Prices rose when they were expected to fall, and fell when they were expected to rise. Shorter hours at the same wage stimulated machine production instead of leading to more employment, and at a lower wage were unacceptable to workmen. Admirable plans, long overdue, for correcting the predatory practices of industrialists and financiers, had the immediate effect of damping their ardour and causing them to "deflate" at a moment when it was most desirable that they should "reflate." Nothing proved more difficult than to combine economic recovery with moral reform. Men threatened with new and severe penalties for practices long condoned, could scarcely be expected to show zeal in furthering the plans of those who were denouncing them.

The President struggled gallantly on with unfailing courage and good humour, withdrawing and revising his plans when they encountered unforeseen obstacles, summoning another "brain-trust" to Washington, when one had failed. Individualists said "We told you so"; Socialists said it was useless to tinker with an economic system which was rotten to the core. All over the field he had bumped into what philosophers call the "antinomies" of the economic life, factors and tendencies in conflict with one another, but somehow reconciled or averaged out by the so-called price mechanism, that automatic subconscious machinery which reflected day by day the changing needs, tastes and stresses of buyers and sellers, consumers and producers. The world has much to learn from the American experiment, but it did not encourage the hope that by enlarging its sphere, and taking the whole process under its control, the State could escape the difficulties and obstacles which it had encountered in the smaller sphere.

5

The enormous difficulties of that enlargement were seen in Soviet Russia where a group of revolutionaries had now for eighteen years been engaged in imposing their plans upon 170,000,000 people. The

Russian Revolution is commonly called Marxian, but Marx had little or nothing to do with it. It was not the type of revolution that he predicted—the uprising of an industrial proletariat against their capitalist masters—but the capture of the post-war chaos in Russia by a group of professional revolutionaries who had actually to install the apparatus of capitalism in Russia before his theory could be tested. When they had established themselves in power they looked in vain to Marx to tell them what to do next. In all his voluminous writings he had failed to provide what a Socialist writer has called the “blue print of reconstruction.” His disciples had therefore to experiment and improvise, superimposing one plan upon another and waging a remorseless war upon those who resisted or even criticized.

Statesmen elsewhere had prided themselves on making institutions fit human nature; the Bolsheviks appeared to say that human nature must be made to fit whatever institutions they thought good for it at any given moment. The belief that they knew what was good justified them in their own eyes in employing a ruthless terrorism in enforcing it. In this they were as merciless to one another as to their subjects, and periodical “purgés” in which dissentients in the governing circle were shot, imprisoned, or driven into exile, accompanied their régime. For a large part of the eighteen years they were in a state of war with immense numbers of their own people, and the sufferings they inflicted in compelling the submission of those whom they regarded as “class-enemies” are admitted by their sympathizers to be beyond human computation. The unsparing persecution of the Kulaks or prosperous peasants in the process of driving them into collective farms brought their terrorism to its climax in the winter of 1932-3, when millions of men, women and children perished either in the famine caused by the dislocation of the industry, or in a vain effort to resist the fiat of the dictators. These casualties were said to be a regrettable necessity for two reasons: first that agriculture must be brought to the pitch of efficiency necessary to enable it to supply the urban as well as support the rural population, and secondly that the peasantry must be prevented from establishing a peasant proprietary which would have been repugnant to Communist theory.

There is no doubt that the Russians have erected splendid factories and power-stations; that they have provided medical centres, hos-

pitals, rest-houses and research stations which, being on the newest models, may well be an example to other countries ; that they have made a serious effort to educate their large illiterate population, and to provide amenities and sports for the rising generation. Many of these are reported to regard the new régime with warm devotion and enthusiasm, and to accept the emancipation which it offers them from religion and conventional morality as full compensation for the loss of civil and political liberty.

But whether Russia has discovered any road to prosperity which is unknown to the rest of the world is still very much in doubt, and may not be decided for many years to come. All accounts agree that it is changing very rapidly and generally in the direction of resuming the habits and practices of an ordinary capitalist society—differential wages and salaries, ownership of private property, opportunities for individuals to make private profit, distinctions between classes. The great difficulty is to distinguish between its plans and its performances, for these are generally confused by its sympathizers, and many of the advantages which it claims to have provided for its workers appear, as yet to have touched only a fringe of its immense population. Its special claim is to have abolished unemployment, but that would be within the capacity of any Government which was in a position to insist that work at wages and on conditions prescribed by itself should be the condition of dole or relief.

Sociologists and other foreign observers who were not involved in it said truly that it was an enormously interesting experiment, but to judge it impartially needed a detachment from human sympathies and from sensitiveness to human sufferings which is rarely achieved even by scientific economists. The Russians seemed to be practising vivisection in an immense human laboratory. It may be said in the future that other societies learnt much from these experiments, and were led to modify their practice by the example of Russia, without inflicting on their subjects the martyrdom through which hers were compelled to pass, but the contemporary interpretation of the facts was obscured by sympathies and antipathies, and the use of words which had lost or were perpetually changing their meaning. The special discovery which Socialists believed it to have made was that the methods which the contractor and quantity surveyor applies to

inert matter can be applied to the human material. Persistence in this idea explains much of the history of the country during the last eighteen years, but has demonstrated that terrorism is its necessary accompaniment.

6

The Dictators in Germany and Italy were also, according to their own account, planning the whole of life from the cradle to the grave, and though both professed to have saved their countries from the Communist peril, both adopted a large part of the Soviet method and practised the same cruelties and terrorism as the Bolsheviks in Russia. Both extinguished freedom with an iron hand, both had favoured parties through which they operated, both endeavoured to regulate industry and commerce for the benefit of the whole country, both suppressed all free organization among the workers. In Italy, Mussolini professed to have invented the new device of the "Corporative State," but whether it had any real existence and, if so, how it worked, was always very difficult to ascertain. Decrees were issued at intervals regulating wages and rents, almost invariably on a downward scale, and so far as could be judged from without, the standard of life seemed after fourteen years to be declining for all classes. In Germany, Hitler and the Government were rationing industry with raw material, controlling foreign trade, presenting labour with the alternatives of work on wages and conditions dictated by the authorities or the concentration camp, finding places for unemployed Aryans and Nazis by chasing Jews and Communists from the scene and inaugurating an immense new expenditure on armaments. The cost of re-armament on which the country had set its heart greatly complicated the financial situation, but as in Italy, so in Germany, the revival of the military spirit reconciled the country to heavy economic sacrifices. The Red Army had played something of the same part in Russia, and the use of militarism as a motive by the planned and regulated States raises new and very serious questions for the rest of the world.

7

The gloom and confusion of the economic world after the war were heightened in the public mind by the belief, widely prevalent in all

countries, that an age of plenty had dawned, and that nothing but the stupidity or wickedness of the ruling classes prevented the mass of people from enjoying the benefits of it. Much planning proceeded on the assumption that the world was suffering from a glut which could only be cured by restricting production, and "poverty in plenty" was a slogan which ran through all countries and all political parties.

It was in large part an illusion and threatened to be a disastrous one. What substance there was in it was based mainly on the fact that local surpluses intended for export which had been excluded by tariffs from their markets abroad, had been destroyed *coram publico* in an effort to maintain prices. These cases received an immense advertisement and produced the impression that there was everywhere a surplus of goods or the capacity to produce them. At the same time there was much exaggeration of the power of modern mass-production to raise the standard of living in any one country. A few countries might be self-contained at the sacrifice of certain luxuries, a few more might limit their wants to what could be provided within their own boundaries, but for the great majority a rising standard of comfort depended on assembling a multitude of products from all over the world, procuring them in their due proportion by the joint effort of producers, traders, merchants and bankers, and distributing them in such a way that they should not be deficient in one place and redundant in another. Modern machinery and modern methods had beyond doubt greatly improved the prospect of arriving at an age of plenty, but they did not of themselves insure it, and many of the social conflicts of these times seem in retrospect like a vain and exhausting struggle for a prize which had no existence.

A careful inquiry into the capacity of the American people to consume and to produce, undertaken in the years 1933-5 by the Brookings Institute of Washington, came to certain conclusions on this matter which were probably within the mark for less industrialized countries. These were—to state them summarily—that "it is far beyond the capacity of our economic system to-day" to bring the standard of living for all American families up to what would permit of a "liberal diet"—this, according to its definition, being what is normally enjoyed by English families with incomes of about £400 a year or a little over; and that in 1929, when American industry was working near its

maximum, 19,000,000 families, or 90 per cent. of the whole, were short of this standard, and 74 per cent. short of the income necessary to obtain what the investigators defined as an "adequate diet." If this was true of the United States it was very unlikely to be less true of most other countries. Statistical inquiries, however, are not needed to enforce this conclusion. The world lives on what it produces from week to week and day to day, and the maximum of "plenty", at any given moment is what it could produce if the whole of its working population were employed. In these years from 8 to 10 per cent. of this population has been unemployed. If all were employed and—a rather doubtful supposition—the unemployed were capable of producing as much in proportion as those in employment, the output would not be increased by more than this percentage.

Many inferences might be drawn from this conclusion. It might be said that when the total product is thus inadequate a more equal distribution of it is greatly to be desired and should be the deliberate object of Governments and Finance Ministers. It might be said that all efforts should be concentrated on increasing the product by science, machinery and better organization. But what could not be defended was the deliberate effort now going on all over the world and finding expression in so many "plans" to restrict production. As short-term policies these might be profitable to a particular country, but on any long view they were fatal obstacles to the advance in prosperity which modern science and invention rendered possible. Plenty in these conditions was not within reach of any country, and nothing that one country, or any economic system in that country, could do could create it. The League of Nations Economic Committee continued year by year to testify on this subject, and in the year 1935 it was still testifying, but mostly to an unlistening world.

8

Historians who anchor themselves to facts are commonly reproached for not having interpreted them in the light of some theory, the Spenglerian cycle, the materialist theory of Marx and so forth. If there is anything that the study of facts brings home to those who record them, it is that they cannot be squeezed into any one mould. It would be folly not to recognize the influence which Marx has had

upon this generation, or the value of his writings in stirring the conscience of the well-to-do about social justice. His attack upon mid-nineteenth century industrialism was formidable and, in large part, just, and its sudden revival in the post-war world is a warning and a portent. His theory and his predictions are a different matter, and the historian can find little to justify either in the years since he wrote. The idea of capitalism passing inevitably to its opposite looks like an illicit borrowing from the German metaphysical idea that positives are dogged by their negatives as the substance by its shadow. Capitalism has not dug its own grave, as he predicted, in the eighty years since he wrote. For the greater part of the period it prospered and spread prosperity to all classes. The rich did not grow fewer and the poor more numerous; through the device of limited liability the number of capitalists was constantly increasing and wages were on the upward trend. The one revolution called Marxian differed in almost every respect from the revolution that Marx predicted. It was not the uprising of an industrial proletariat, but the deliberate effort of a group of revolutionaries who availed themselves of the chaos in Russia after the war to impose a Marxian type of society upon a peasant people. This revolution has at every turn tested Marx's theory of "surplus value" and discovered the enormous importance of the non-manual labour factors in industry and the necessity of rewarding them in one way or another. The Marxian ideal of a classless society seemed perpetually to vanish in the effort to create it.

On the other hand, we have only to look at Europe to-day to see the far-reaching spread of the doctrines of Marx in regions that were outside his horizon. If he is the author of the Revolution, he is also the author of the counter-revolution, of Fascism and Nazism as well as of Bolshevism. His doctrine of class-hatred, of a predominant class ruthlessly extinguishing its opponents, could equally well be practised by the bourgeoisie as by the proletariat. His materialist conception of history found congenial soil in every country and all classes. Religion could not be derided and extinguished in one country without questions being raised about it in other countries. If the moral and spiritual values counted for nothing against the material, why should the rich not share in the general emancipation? In the Marxian theory, or in its Nazi and Fascist counterparts, the new

freedom is supposed to be controlled by the discipline of a mystical State worship, but an immense number of young people coming into a disordered world caught up the theory without submitting themselves to the discipline.

It is a commonplace of history that a chaos of opinion about morals, religion and politics follows all great upheavals, and that time is needed to steady the world on a new course. But the annalist of these times is least tempted to interpret events in the light of any theory that may temporarily be in vogue. He is, of course, aware of the part which the search for wealth has played in these times as in all times and the special forms it has taken in what is called the industrial age. But he is also aware of the passions, ambitions, rivalries, animosities, the blunders, follies and achievements which enter into the great complex of history, and cannot be accounted for in any ledger. Man may be what he eats, according to the famous Marxian dictum, but the alchemy which transmutes his daily nutriment into the being whom we call by that name still defies analysis.

CHAPTER LXVIII
ART AND LITERATURE

I

MANY of the great writers of the Victorian era were still living and still active at the time when this book opens. Reverence for the elders still persisted and seldom in any country was there a larger company whose authority was unchallenged. There were at least five counted major poets, Tennyson, Browning, Swinburne, Matthew Arnold, William Morris, all of whose names were household words and whose works were read in a far wider circle than those of any poets in subsequent years. Others like Coventry Patmore, Robert Bridges, George Meredith, Frederic Myers, were held in high repute by a smaller circle, and to them must be added a large company of charming and accomplished versifiers appealing to the cultured, such as Austin Dobson, Andrew Lang, Locker Lampson, Edmund Gosse. Another considerable poet who belonged to this time but whose fame came later was Gerald Manley Hopkins, who died unknown in 1889, and whose poems were not published until 1918. Hopkins was a priest, dedicated to the religious life, and his manner of writing anticipates the moderns in its daring experiments and torturing of language in a sincere effort to express the travail of the spirit. But of all the religious poets who wrote in these years, Francis Thompson, another Catholic, seems on looking back most to tower over his contemporaries. His *Hound of Heaven*, appealing equally to the simplest and the most sophisticated, is likelier than any poem of this period to hold its place among the immortals. If poets are to be judged by their vogue, the names of at least two others need to be mentioned, Edwin Arnold, whose *Light of Asia* brought Eastern mysticism within reach of a multitude, and Lewis Morris, whose *Epic of Hades* was

greatly admired even by the cultured, and was said to have been the favourite poem of John Bright. Alfred Austin, the journalist poet, whom Lord Salisbury made Poet Laureate in recognition of his services, which were not inconsiderable, to the Conservative Party, was also writing busily in these years and produced one or two sonnets of some merit, but he is now chiefly remembered by his poem on the Jameson Raid ("There are guls in the gold-reefed city and women and children too" etc.), which provided light relief to an otherwise morifying situation.

Among essayists Matthew Arnold, having ceased to write poetry, had anticipated Bernard Shaw in his brilliant satire at British characteristics, and his little volumes amused and irritated by their subtlety and agreeable malice. The Victorian belief that all was well and that the British character stood above criticism died hard. Ruskin was still on the scene with an enormous following, and he painted in ever-gloomier colours the "storm-cloud" which he saw hanging over the nineteenth century. But with few exceptions, buoyant optimism and high spirits were still the notes of literature and especially of fiction in the 'eighties and 'nineties. George Meredith, still in his prime, overflowed with a sense of the fullness and richness of life, Stevenson captured a multitude with his thrilling stories and brave morality. Kipling leapt at a bound into the front rank with verse and prose which were hymns of praise to the British Empire and all things British. Huxley followed the same fashion both in verse and prose, but also produced poems of exquisite sentiment which deserve their place in any representative anthology. Many of these writers, but especially Stevenson and Kipling, and in later years Conrad, discovered the secret of pleasing the critical few without mystifying the many. Romance was in great demand, and Anthony Hope won instant success with his "Prisoner of Zenda," and Quiller Couch (Q) with his gallant and admirably written stories. Thomas Hardy and George Gissing struck a minor key, Hardy with his sense of fatality in the human comedy, which was to find noble expression in his great poem *The Dynasts*, Gissing from his experience of a particular kind of squalid and struggling existence. But these were almost alone among writers of the first rank. Nearly all others fell in with the popular mood which demanded happy endings or very clear proof that the im-

happy were deserved. The novel with a moral still had a great public and Mrs. Humphry Ward, with her serious studies of contemporary beliefs and social tendencies, was thought to be the George Eliot of her time. One writer of this period, who may now be counted English, Henry James, was almost alone in developing the introspective and psychological method which came into fashion later. He was, as he used to say, the "world's worst seller," but his work has survived most of the ephemeral successes and exercised a strong influence on his fellow-writers. Then, as later, the "best sellers," of whom Hall Caine and Marie Corelli were the acknowledged masters, went their own way regardless of the flouts and jeers of superior people. An excellent inventor of short stories was Arthur Conan Doyle whose "Sherlock Holmes" is as likely to live as any character in fiction of these times.

Darwin died in 1882, but Huxley, Tyndall and Herbert Spencer lived on for many years and were indefatigable with their lay sermons and elucidations of scientific doctrine. Seldom was there such a continuous and consistent exposition of the scientific mind as came from these three through their books and contributions to periodicals. Great Britain was specially fortunate in possessing men of great literary ability with a scientific habit of mind such as J. G. Frazer of the "Golden Bough" or, in a different field, Havelock Ellis, whose studies in the physiological bases of conduct have been more steadily enlightening than those of many such advertised theorists in later years. Frederic Myers too, in his studies of human personality, largely anticipated later theories of the subconscious or, as he called it, the "subliminal self." In philosophy there was at least one outstanding figure—the Hegelian Oxford professor, T. H. Green; but Bosanquet and F. H. Bradley were household names to students, and Henry Sidgwick had a large following at Cambridge. Between philosophers and men of science there was a continuous grubbing at the foundations of orthodox belief, but the leaders of religion still held their own. Liddon, Magee, Scott-Holland, Spurgeon, Manning, preached to immense congregations; Newman and Pusey were silent figures behind the scenes, held in great respect by the devout. Historians were many, but two especially, Froude and Freeman, caught the ear of the public, the former by his brilliant, if somewhat erratic writing, the latter by the extreme

pugnacity with which he seasoned his learned and somewhat pedestrian way of presenting facts. By his books of travel and the enthusiasm he felt and expressed for British rule in distant parts, Froude was one of the pioneers of the new imperialism which was to play so large a part in the next ten years. In the meantime James Bryce had established his reputation by the brilliant essay on the Holy Roman Empire, the forerunner of a long line of serious and solid studies of institutions and politics in America and Europe. In the same years F. W. Maitland was at work on the studies which established his reputation as one of the greatest of jurists and historians. John Morley had passed from letters to politics, but his monumental "Life of Gladstone" was the chief effort in biography at the opening of the new century. Its only competitor on the grand scale was the "Life of Disraeli" in six volumes begun by W. F. Monypenny and completed by George Buckle. But to these years belongs also the great "Dictionary of National Biography" which, under Leslie Stephen's editorship, was a permanent and immensely valuable contribution to history and biography.

The Oxford stylists, under Walter Pater and Oscar Wilde, proclaiming the virtues of a new kind of polished and "gem-like" way of writing, were beginning to be heard in the early 'eighties, but most others had in common a certain *copia fandi* which led them to speak their thoughts as they came and let form take care of itself. They were ardent controversialists with unashamedly moral purposes, whether orthodox or heterodox. Theories about writing interested them little; whether in prose or poetry, their aim was to bring their meaning home to their readers and to influence the largest number of those to certain views of life and conduct. At this time the acknowledged great ones still commanded the allegiance of youth, and the classical tradition was followed as faithfully by the clever young men as by their seniors. Among the younger poets, William Watson, much of whose work bears revival, was a devout admirer of Wordsworth and Tennyson and followed faithfully in their footsteps.

These years were the hey-day of a society in which politicians, men of letters, men of science, poets, painters, preachers and ecclesiastics mingled freely and sharpened each other's wits. The eminent Victorians were great diners-out, and the Victorian dinner-party, in

the days before bridge and dancing, offered neutral ground on which the art of conversation was kept alive, and any narrow specialism discouraged. The best society of this kind in London during these years was the nearest approach to the French *salon* of the eighteenth century, and many gifted women contributed to it. The coming of Home Rule and the intense feeling roused by it made some breach in it, but tolerance returned as the controversy became chronic, and the fiercest opponents again met amicably on the neutral ground.

2

Painting was overshadowed by the Royal Academy whose stately President, Lord Leighton, painted classical pictures with smooth surfaces and entertained the literary and artistic world at musical evenings in his sumptuous home. Subject pictures, often with classical subjects, were greatly in demand and the leading Academicians painted them on an enormous scale, and reproductions of them in "photogravure" found a ready market. Alma Tadema's fantasies of white marble and Greek maidens looking out on wine-coloured seas were hought as fast as he could paint them, and much skilful craftsmanship went to their making. Others produced large landscapes varying little from year to year, but faithfully portraying types of English, Welsh and Scottish scenery. Millais was past his best period, but Watts held a large public by his allegorical pictures, some of which had serious imaginative and artistic qualities which a later generation has rated below their value. Outside the Academic circle Burne-Jones went his own way with his elaborate and highly embroidered mediæval designs winning the respect due to beautiful craftsmanship, and Holman Hunt and Madox Brown still kept the pre-Raphaelite tradition alive. At the other end of the scale Whistler startled the Academic painters with a charming blend of Japanese and French impressionism, and brought down upon his head the wrath of Ruskin who charged him with "throwing a paint-box at the head of the public." Hence a libel action (ending in a farthing damages for the painter) in which the expert witnesses illustrated the total incapacity, from which artists commonly suffer, of appreciating work that differs from their own or seems to challenge their own practice. Whistler, who was a great wit as well as a painter of genius, had his revenge in a series of lectures

which set the whole town laughing at his critics. Before the end of the reign the revolt against Academic art had definitely set in and a group of gifted young painters, drawing their inspiration mainly from the French Impressionists, were throwing a defiant challenge to Burlington House from their "New English Art Club." Sargent now began to dominate the Academy with his brilliant interpretation of the normal vision, and to be painted by him became the ambition of the fashionable world.

In music there were many composers of merit in the classical manner, such as A. C. Mackenzie, Hubert Parry, C. V. Stanford and John Stainer, but it is no disrespect to these worthies of British music to say that the principal achievements of these years were the operas of Gilbert and Sullivan, with their perfect combination of charming music and witty libretto. It speaks well for the taste of the times that these skilful and delicate works were an immediate and overwhelming popular success. The serious musical public thought them trivial and unimportant, and Sullivan himself rated them below his efforts in Grand Opera and sacred music. But they have survived the test of time, and the critical judgment of to-day is that they are works of great originality and lasting value. Before the end of the period the works of Elgar, Holst, Delius, Vaughan Williams, Arnold Bax, Coleridge Taylor and others were to raise English music to a high place in the judgment of the world.

The Gilbert and Sullivan opera *Patience* satirized the æsthetic movement which Oscar Wilde brought from Oxford to London. Wilde, who had serious claims to be considered as a prose-writer and poet, was also master of what a later generation calls publicity, and the antics and postures and strange costumes of his little group provided happy material for the operatic satirist and for du Maurier in his drawings for *Punch*. An excellent literary satire of this period is Robert Hichens's "Green Carnation," the skill and wit of which make it a real document of these times. The "æsthetes" were in fact few in number, and they served chiefly to advertise Wilde and secure a public for his plays and books, but they helped the reaction against Victorian art and architecture which was beginning in these years. The cultured few dismantled their plush and gilt drawing-rooms and installed "Queen Anne" furniture and Morris wall-papers and curtains. The

taste for Ruskinian Gothic in architecture faded out against the neo-Jacobean of T. J. Jackson, the elegant eclecticism of Norman Shaw, and the modern Romanesque of J. F. Bentley. Then, as now, the new schools and the old were at daggers drawn, and the moderns spoke with special bitterness of their immediate predecessors.

In the theatre, Irving and Ellen Terry were supreme in their hold upon the public in these years, the dominating personality of the one and the charm and grace of the other drawing an unfailing crowd of the faithful to the Lyceum, whether they played Shakespeare or popular stage-plays written to supply them with their parts. The "Robertson" comedy was near its end and adaptations from the French were the chief staple of London managers in these years. But Pinero and Henry Arthur Jones were starting on the long careers which led them from light comedy to the "problem play," and in the early 'nineties Wilde came to the fore with a succession of skilfully constructed plays spiced with witty dialogue which were an immediate success. The British stage at this time was peculiarly rich in gifted actors and actresses—John Hare, Charles Wyndham, Beerbohm Tree, the Bancrofts, Mrs. Kendal, Arthur Cecil, Mrs. John Wood, George Alexander, to name only a few—who often succeeded in making popular successes out of very unpromising material.

During much of this time dramatic writing had fallen to a very low ebb. "The public," said William Archer, a pioneer among dramatic critics, "degrades the managers, the managers the authors, the authors the actors, the actors the critics and the critics the public again." But before the 'eighties were out Ibsen had invaded the London theatre, and in spite of passionate protests against his assault on the conventions was gradually influencing even the conventional playwrights. In 1893 the Independent Theatre under the management of J. T. Grein produced George Bernard Shaw's *Widowers' Houses*, the forerunner of a long series of "didactic realistic plays" which, whether "pleasant" or "unpleasant," were to make short work of most of the rules by which the game of the theatre had hitherto been played. In the subsequent years the Stage Society, the Repertory Theatres, the Dublin Abbey Theatre, and Miss Horniman's spirited and successful efforts to popularize the serious drama have all contributed to bringing the English theatre to a new high level. Serious plays of doubtful com-

mercial value according to managerial standards, now had their chance of being tried out before critical audiences.

The young men of the end of the century, like their successors in later days, supposed themselves to be engaged in a new movement—*fin de siècle* was the word for it—and they carried their banner in a quarterly periodical called *The Yellow Book*, which was judged at the time to be very audacious, but was in fact a mere hint of the freedom which the post-war writers were to claim. The drawings of Aubrey Beardsley with their piercing outline and drooping figures were greatly admired by the artists of line, but the movement was short-lived and a faint flavour of decadence hung over it from the beginning. Max Beerbohm, one of the subtlest critics of his contemporaries and an artist of rare skill both with pen and pencil was already at work in these years and his cartoons are likely to rank high among their documents. From an angle of their own they illustrate the political history which political cartoonists like F. C. Gould handled more explicitly in the *Westminster Gazette*.

3

Not all authors are easily related to their times. In England we can distinguish a group which went their own way undisturbed by the current of opinion—Barrie with his delicate sentiment and subtle stagecraft, George Moore with his own blend of realism and mysticism, John Galsworthy, Arnold Bennett, each in his way a profound student of English life and character in its different strata, John Masefield, future Poet Laureate, realist in prose and verse, W. B. Yeats, the gifted and original exponent of the Celtic mood, A. E. Housman, the exquisite poet of the *Shropshire Lad*; Walter de la Mare, whose verse has the sound of bells under water. But another group is as unashamedly propagandist as their Victorian predecessors, and their writings show the upset of the Victorian balance, which was going on progressively in the last ten years of the Queen's reign. In these years there were already loud whispers of the challenge thrown to conventional ideas by the continental writers Nietzsche and Ibsen, and an English writer, Samuel Butler, was busily at work on novels and other writings—said to be of a subversive tendency—which had a deep, if subterranean, influence on the coming generation. To him more than to any man

may be traced the habit of turning things upside down which was followed by a great company of the younger men at the beginning of the new century, all with the laudable ambition of awakening the sleepers by challenging and inverting their cherished opinions. In the next few years we see Shaw, G. K. Chesterton and Hilaire Belloc vying with one another in the use of this method, Shaw turning it on to the accepted orthodoxies in religion and morals, Chesterton to the accepted orthodoxies of Victorian science, Belloc to the traditional versions of English history. Another brilliant writer, H. G. Wells, pursued his own path of romantic social philosopher and story-teller, but also contributed powerfully to the general challenge.

The ferment of the times can be traced in the works of these writers and between them they established a ringing debate about first things and last, one side seeking to demolish superstition and prejudice, the other to depose reason from her throne and reinstate dogma and mysticism. In these encounters the art of paradox was brought to a perfection unknown in previous times, and the verbal skill and virtuosity with which the disputants cornered one another and dazzled their readers were greatly admired. The general effect upon thought and letters is less easily determined. At times the search for truth, conscientiously, if lumberingly, pursued by the Victorians, seemed to play but a secondary part in the displays of wit, skill and sophistry in which their successors excelled. In the subsequent years writing was never more clever or thought more at sea, and the coming of war deepened the confusion. Youthful neology in cap and gown had been common enough in the previous century, but it had confined its scepticism to religious dogma; now it ranged over the whole field of conduct and morals.

4

Science in the meantime was pursuing its own course, and through the new physics bringing confusion to all the disputants. At the end of the period a new scientific mysticism seemed to be coming in sight, and bringing with it theories of the universe which were equally disturbing to religious orthodoxy and to the scientific rationalism of the previous generation. Between all these tendencies and cross-currents of opinion and thought, which were to be greatly accentuated

ated by the moral and spiritual upheaval of the war, religion, as expounded by the Churches, was clearly entering upon a critical phase. The conventional church-going of the previous period which had kept the churches full, or three parts full, was rapidly passing; young men of ability were no longer taking orders in any large numbers; the eloquence which casts a spell on great congregations was becoming rarer; a considerable part of the doctrine which had been accepted without question fifty years earlier had become incredible alike to preacher and congregation. To restate this doctrine in terms acceptable to modern ears was said to be essential, but it was very difficult to do so without making irreparable schism. The Anglo-Catholic solution of an intensive Christianity for those who accepted a sacramental view of religion, appealed to a majority of the remaining church-goers but widened the breach with the masses outside; a few modernist theologians attracted select audiences, but left the multitude untouched; Nonconformity was losing its hold; and though the Salvation Army gallantly pursued its work among the outcasts, regardless of the winds of doctrine, it contributed nothing to a revival of religion in other classes. In the last years "Buchmanism" was making a serious effort to transfer the method of the "penitent form" to academic and cultured circles, and obtained a considerable number of adherents.

Whether all this portended a decay of religion or the ferment of transition to new religious ideas was, and is still, much debated. Side by side with it there was undoubtedly a new interest in religious questions among a great many who had hitherto taken them for granted, and speculative books about the destiny of man and the nature of the universe began to take the place which sermons and theological works had filled in previous years. Many hungry sheep looked up and found their food in Christian Science and spiritualism; others took refuge in the dialectical materialism of Karl Marx, or its psychological counterpart, the Freudian interpretation of human nature. Though religious dogmatism was rejected, the demand still persisted for dogmas and formulas covering the whole field of human conduct and the nature of things; and many half-truths and shallow speculations were accepted and defended with the same passionate ardour as formerly the tenets of religion. The general upheaval of

thought is commonly attributed to the war, but it was well on the way in the years before the war.

5

It is too soon to measure the effect of the war on literature, and it would be presumptuous to attempt to choose the bright stars in the galaxy which has appeared in recent years. Of those who have passed from the scene Rupert Brooke, whose charming verse and lively descriptive writing gave promise of a brilliant career, *si fata licuissent*, is not likely to be forgotten so long as anthologists are at work; and Lytton Strachey has won his place as a writer of rare skill and subtlety, and the originator of a new *genre* in biography and history, perfect in his hands but perilous to the copyist. The post-war years produced hundreds of war books, some of them merely descriptive and ephemeral, but a few giving genuine expression to the sadness and pity of the times. There followed a reaction against the conventional forms of beauty and sentiment, bringing a flood of books reflecting the moral and political confusion of the post-war generation. It was now proclaimed that all the traditional ways of writing, painting, sculpture, or musical composition, were either worn out or incurably drenched in a conventional morality which open-minded youth was determined to discard. To express the revolutionary spirit was said to be the duty of poets, novelists, painters, sculptors, musicians; to cast off the shackles which had prevented plain speech about human instincts and the sexual life became the special mission of the modern novel, which under the influence of Freud came near establishing itself as a branch of pathology. The chase after new forms led to the invention of a symbolical language to which only a few adepts had the clue; Cubists, surrealists, psycho-analysts, behaviourists, pursued one another into regions above or below the understanding of the average educated man or woman. For these average people the work that most stands out in these times is the aged Poet Laureate, Robert Bridges' *Testament of Beauty*, which notably revived the Wordsworthian vein of philosophic poetry.

Here we enter the current politics of literature where the talk is of James Joyce, D. H. Lawrence, T. S. Eliot, Ezra Pound and the new groups of writers, painters, sculptors and musicians, whose war with

the traditionalists and with one another fills an even larger space than their contributions to letters and art. To sift the wheat from the chaff, the impostors and self-advertisers from the genuine artists, can only be the work of time, which may be trusted to do it dispassionately. The periods of self-conscious art working on new theories have generally been short, and many of them have passed without doing more than add to the curiosities of literature. But they are sometimes the essential condition of the rebirth of genius, and it is reasonable to hope that the main stream of literature and art will be refreshed by many tributaries from these times. In the meantime popular literature goes its own way, and times have never been more propitious for the "best-seller."

6

No changes are greater than those which have befallen the press in the period covered by this book. At the beginning we see the old press still in possession with its three-decker leading articles, its verbatim reports of public speeches, its faithful self-dedication to politics and public affairs. Alfred Harmsworth appearing on the scene in the early 'nineties played havoc with this press by discovering the very open secret that there was an immense new public—the first products of Board Schools—hungering for a new kind of newspaper which should reflect life as they saw it or dreamt of it—the life of sport, pleasure and the manifold activities of human beings lying outside politics. Hence the changes which compelled large numbers of the old newspapers to conform to the fashion or go under, and gave the public the new kind of popular newspaper with its daily variety show to which politics is only a side issue. In the more popular newspapers the space given to politics and public affairs has all through these years been a dwindling quantity, which leaves little room for serious argument. The profession of political journalist is one of the smallest in the world. On the other hand, the great proprietors have uncoiled their personalities and made a bold bid to compete with Cabinets and Ministers in shaping national policy. Throughout this period we see them coming more and more into the foreground of the public life and claiming to run their own course, which not infrequently cuts across the lines of conventional party politics.

None of these conditions need be regarded as permanent. The modern press is sensitive to changes of fashion and opinion, and prides itself on not being bound by tradition or convention. Unquestionably, it has enlisted a great deal of literary talent which was formerly confined to the writing of books. Some of the best and most skilful writing is now to be found in the popular press, which is lavish in its expenditure on "good names." But the intricate technique of its display, which drives the reader from column to column in pursuit of the next sentence, the profusion of its photographic illustrations in competition with its reading matter, and the clamour of its streamers and headlines do not make a good setting for literary work of high quality. The right compromise between the literary and the popular has yet to be found, and whether it is possible to cater for the two publics in the same newspaper is a question which is still being explored. Many provincial papers seem nearer the solution of this problem than some published in London.

The degrees in which the press influences opinion is a perennial subject of debate. That in a general way it influences taste and fashion and has a large power of debasing or improving them is beyond question. The power of the press, as the greatest exponent of the modern method once said, is the "suppress," and merely by silence and omission it may influence events and the careers of individuals. The daily drip of certain ideas and ways of looking at life gradually sinks in until they are taken for granted. Headlines and pictures alone have a power of suggestion which it is difficult to overrate. Direct influence on political opinion is another matter, and it is a common observation that this kind of influence is in inverse ratio to circulation. But it remains true that no political party can live without publicity, and this for the most part it must get through the press—until at least the radio has developed its possibilities, as it is rapidly doing in many countries. But the publicity which politicians need is by no means necessarily favourable publicity. The Labour Party has come to a position of great power against an almost unanimously hostile press, but it has had an enormous publicity from this hostile press which, true to its sense of "news value," has been compelled in spite of itself to advertise Labour.

CHAPTER LXIX

PAST AND FUTURE

I

IN the year 1893 there appeared a book which was hailed as the most penetrating forecast of things to come produced in the last half of the nineteenth century. It was Charles Pearson's "National Life and Character," the work of a scholarly and thoughtful man, who had spent a large part of his life in educational work in Australia and on returning to England set himself to sum up his thoughts about past and future.

Looking ahead, Pearson saw the world becoming duller and quieter. He believed that war would continue but only occasionally be resorted to where arbitration had failed to reconcile opposing interests, or an arbitral decision was opposed to a high-spirited nation's sense of justice. Even in these cases he thought it "possible to hope" that it would be conducted "without intentional injury to non-combatants and with the smallest possible damage to private property." As regards internal government, he predicted that the semi-socialistic methods which he had seen at work in Australia would be gradually and peacefully extended all over the world, and would lead to the stabilization of life at a rather low level with a corresponding decline of individual initiative and energy. He thought of Socialism as a limited, bureaucratic and unprogressive method of government, but offering comfort and the quiet life to average men and women.

He raises, only to reject, the idea that the future has in store great scientific discoveries. He thinks that science has done its greatest and most suggestive work, and that "there is nothing now left to it but to fill in the details." He sees the same process of exhaustion going forward in art, music and literature. Themes and topics must fail ;

so much has been done perfectly in painting, sculpture and music that it will be useless to do it again. Finally, the world has so shrunk that there is little left to explore, and adventure and novelty can no longer be expected. Life will be so "toned down" that there will be "much less wealth of strong incident and effective situation than there was formerly." Men and women may continue to find satisfaction in an orderly and unadventurous life, but the general tendency will be towards the static and the somnolent.

Nothing could have been more persuasive than the argument in which these themes were set out, or the wide range of knowledge and experience with which they were supported. Yet, if we wished to find a statement, exact in almost every detail, of what has not happened in the subsequent forty years we could hardly do better than go to this book. Never in its history has the world been more restless, or its wars more violent and destructive than in the years since it was written. Never has science leapt ahead with such confidence to new discoveries and theories, or revolutionized the common life with so many inventions and devices. Never have writers and artists been less inclined to accept the tradition of the elders, or more adventurous in seeking new themes and new forms of expression. The processes of politics have not been mild and gradual, but violent and cataclysmic. Greater and more sudden changes have come to pass than in any similar period of history; revolutions and counter-revolutions have been conducted with a ferocity and on a scale which makes the French Revolution seem but a pale shadow of what was to come. Liberty has been extinguished and mediæval methods of persecution have been revived over a large part of Europe. To the Victorian Liberal who thought of liberty and progress as things established beyond possibility of challenge, the state of several great nations in Europe to-day would have seemed like an eruption from the nether regions.

We dwell on the loss of political liberty as a characteristic of these times in large parts of the world, but there is another aspect of them which needs to be understood. To immense numbers, especially of the young, in European countries the new order appeals as an emancipation—emancipation from moral shackles, from social tabus, from Church

and priest, from obsolete marriage laws, sexual and other "inhibitions" which prevent the natural man from living the life of nature. They see themselves in a new world from which prigs and pedants are excluded, and in which physical energy is released with the encouragement of their rulers for the satisfaction of the dominant urge, against Jews, Communists, "bourgeois," or other objects of animosity, as the case may be. To millions of young men in Russia, Germany and Italy their respective revolutions have appealed as a new freedom, breaking the crusted customs of the old world and bringing new opportunities of self-expression and self-determination. Licence to youth, and encouragement to it to vent all youthful ardour in the service of a new way of life, have been common characteristics of all the European dictatorships, and their permanence seems to depend not a little on keeping youth at white heat. It is the old and elderly and not the young who feel the heavy hand of the Totalitarian states.

It is a commonplace of history that great wars are followed by an aftermath of violence in conduct and in thought and this, too, was characteristic of the years that followed the war. The methods of war were transferred to domestic politics; wartime regulations were prolonged in peace. Prime Ministers governed with little regard to Cabinets, a group of statesmen constituted themselves a "supreme Council" and distributed "mandates" over large parts of the earth with little regard to the problems which would face their successors when the former enemies recovered. Extreme and doctrinaire politics infected political parties, leading to the forcible suppression of those who questioned their infallibility, in place of the conversion by suasion and argument on which all Parliamentary systems depend. Moderation fell into contempt; tolerance ceased to be a virtue; those who prevailed proclaimed that there was no room for any theory but their own in the States that they ruled.

Great Britain resisted these tendencies more successfully than most European States. Her suspicion of theories and theorists, her dislike of pushing logic to logical conclusions, her native good humour and her habit of living and letting live have here stood her in good stead. The whole nation declined the logical conclusions of the General Strike when once they stood revealed. It was ready for plans and experiments and gave the many planners a respectful attention, but, with its

eye on what was happening in other countries, it looked askance at all social surgeons, Communist or Fascist, who proposed drastic operations on the body politic. The risks seemed too great, the results too uncertain.

3

Accompanying the political upheavals of the first twenty years of the twentieth century came a flood of new inventions changing the whole surface of life and influencing the manners and customs of all classes. The new generation finds itself living in a world undreamt of forty years ago—the world of the cheap car, the motor-cycle, the motor-omnibus, the cinema, the radio—a world of rapid movement in which the town empties itself into the country and the country into the town, in which every variety of education and entertainment is within reach of the humblest, and can be had by turning a switch without leaving the fireside; a world in which the preacher and the propagandist, the comedian and the mountebank, address audiences of millions. The Fairyland of the previous generation was scarcely furnished with as many miraculous devices as the real world in which the modern child grows up. Rapid movement was the universal habit and even in humanitarian England the public listened composedly to a weekly tale of slaughter on the roads which would have caused horrified protests if it had been spread over a whole year on all the railways. The latter still belonged to the old order and were expected to conform to its prejudices.

The new inventions which have burst suddenly upon the world may be counted among the causes of unrest, but beyond doubt they have greatly contributed to the general happiness. Life is less monotonous even in the drabest surroundings; pleasures undreamt of by the rich in the former days have been brought within the reach of the poorest. If it is not all joy, it is certainly in widest commonalty spread with noticeable effect in obliterating class distinctions. The culture which was the monopoly of the few, percolates to all classes, the young workman has the same access to modern science and thought as the young graduate and often makes a better use of his opportunities. Beethoven and Jazz are equally accessible to both, and it is an even chance which will prefer which.

Cheap house construction and the cheapening of clothes have contributed to the same result. In the new English suburbs it is impossible to distinguish the houses of the working-class from those of the middle-class. Both may be ugly or pleasant in design, but they are of the same kind and planned on the same models. Out of working-hours the dress of the working woman is indistinguishable from that of the "lady"; one may wear silk and the other mercerized cotton, but it needs a feminine expert to tell one from the other. These outward signs go with an inner change. No one can have lived through the period covered by this book without being aware of a growth of modesty and charity between classes. The expressions "lower" and "upper" class which were part of the common speech of fifty years ago have passed out of use. Very few speak or think of their poorer neighbours as a "lower class"; those who think of themselves as an "upper class" are careful to keep the thought to themselves. Apart from the better distribution of wealth, the general availability of the gifts of science has brought measurably nearer the "equality of opportunity" which nineteenth-century Liberals thought of as their goal.

We get a generalized picture of one section of the British people at the end of this period in "The New Survey of London Life and Labour"—a continuation after forty years under the direction of Sir H. Llewellyn Smith of Charles Booth's great work for the previous generation. This shows a considerable advance in prosperity all along the line, providing a much larger margin for sport and pleasure. Wages have considerably, and aggregate family incomes greatly, increased during the interval between the two surveys. Mechanization has made the working life duller, but compensation is found in shorter hours and the numerous new opportunities of employing leisure. Not low wages but insecurity is now the complaint, and awaits the extension of Unemployment Insurance to average out wages and provide leisure without loss of income. Drunkenness has ceased to be a national vice; a pint and a half of light beer, and half a pint for his wife, is now the daily average for the London worker. But the reaction from the discipline of the workshop is seen in the greater vogue of betting and gambling. To escape from a world in which two and two remorselessly make four, into one in which they may

make a hundred or nothing, is a widespread instinct to which the popular press has ministered. The cinema, with its romantic tales and suggestions of exciting life in all parts of the globe, feeds the same appetite. Dancing has spread to all classes; cricket, football and tennis are only checked by the lack of open spaces. The less toilsome working day has released a vast amount of physical energy which is looking for employment. It must be added that in spite of the large sums spent on sport and pleasure, thrift has made enormous strides. Before the war the savings of the working-class were estimated at about £500,000,000; at the end of this period they were not far short of six times that amount.

The population is much healthier and its death-rate nearly the lowest in the world. An infant born into the world to-day has an expectation of life fifteen years longer than one born thirty years ago. Here the health insurance system has had its reward. But owing to the shortage of houses at moderate rents, large numbers of relatively well-to-do working people live in conditions of discomfort and overcrowding which are a serious set-off to improvements in other respects. Many who are living in what by modern standards are rightly condemned as "slums," could well afford better accommodation if it were available within reach of their work. Hence the enormous demand for the small new houses on the outer-rings of great cities which have been brought within reach by electric trains and motor-buses.

Education has made great strides. Secondary schools have multiplied and many of them are equal to the best in the world. Elementary schools have greatly improved. The ladder from the Elementary school to the University is a reality, though the rungs are narrow. There is a certain reaction from the stress laid on vocational and technical training; the question is more and more asked whether the rising generation is being educated to a right use of its leisure. Wireless here has perhaps the greatest of its opportunities. The claim of the Churches to control education is no longer heard, but the need of something more than purely materialist idea of efficiency in life cannot be suppressed. The rising generation rebels against institutional religion, but it is alive with ideas springing from religious sources and seeks for their expression in politics and political theory.

The changes have affected all classes. At the beginning of the period London "Society" still followed the old ways, the aristocratic families for the most part spending nine months of the year in the country and coming to London about the beginning of May for a ten-week "season." The London of these days was a city of beautiful horses, and no European capital presented a more brilliant scene than the parade on a summer afternoon in Hyde Park when the Princess of Wales drove down the "Ladies' Mile" between the crowded ranks of smart ladies in their carriages and pair. There was a refinement and vivacity and a sense of motion and colour in this display which cannot be recovered in the age of motors. In those days the London "season" was specially a time of flowers. On a given date in May all the window-sills in Mayfair and Belgravia became miniature gardens, and some of the wealthy turned the flat spaces over the porches of their stucco houses into bowers of palms and hydrangeas. All was governed by a certain decorum; the young kept the place assigned to them by their elders; the picture-papers and the gossip-writers had not yet appeared, and publicity for their private affairs was still regarded by all well-bred people as a vulgar impertinence.

The war delivered a death-blow to this old society. After it the big country houses were being converted into schools and hotels, and the resident squires and landlords becoming fewer in number. Taxation, death-duties and depression in agriculture made this imperative for some, who parted reluctantly with their family seats and their places in the rural hierarchy. But the change corresponded with a change of habit in the rising generation, which rebelled against being "immured in the country" for three-fourths of the year, and found new ways of spending the money released from the upkeep of great estates. The rich became greatly more mobile, seeking their pleasures on the Riviera, in winter sports, in cruises and in a great variety of new and bizarre entertainments in London. The class which occupied itself in this way was a relatively small one, and it was largely recruited from the new rich, but the wide advertisement given to its antics and frolics played into the hands of propagandists denouncing "the idle rich," and became a considerable contribution to social unrest. It

PAST AND FUTURE

was nevertheless true that large numbers of the old aristocracy were now under the same necessity as other classes of earning their livelihood in trade, business and the professions.

The break-up of the old estates left a gap in country life which has yet to be filled. The squires and their families had been leaders in their villages, and spent the chief part of their incomes on the countryside. Some of them, and their womenkind, gave themselves airs which the more independent villagers resented, but not a few were serious students of agriculture who were ready with advice and help to working farmers. The farmer-owners who have succeeded them have yet to fill their place in the life of the village. Country pursuits and games lack organizers, and with the coming of tractors and other machinery the life of the labourer becomes more and more assimilated to that of the town mechanic, without his diversions. Agriculture during these years has ranked among "depressed industries" and the population which has left it has contributed to the unemployment in towns, but its condition varies greatly in different parts of the country and rural unemployment is not a serious evil.

5

In the nineteenth century there were alternate panics about the growth and about the decline of population. During the Napoleonic wars the prevailing anxiety was lest oaks should fail for building ships and men for manning them and then, and during the subsequent years, public policy aimed at increasing both. The increase revealed in the 1821 census caused the contrary alarm. Cobbett alleged that this census had been doctored with the deliberate object of creating a prejudice against the too quickly multiplying poor, and thought he had reduced it to absurdity by saying that if it were true the population of England and Wales would be 29,000,000 at the end of the century. It was actually 30,800,000. For the next sixty years industry absorbed the greater part of the increase and emigration provided for the remainder. In these years rapid growth was counted a healthy sign. But long before the end of the century heads were again shaking over the reckless multiplication which threatened to make Great Britain one of the most congested areas in the world. Economists and social workers now began to dwell on the necessity of checking the increase.

Finally, after a period of more or less continuous decline in the rate of increase—which the previous generation thought an object to be aimed at—speculation dwells gloomily on the prospect of Great Britain being reduced to a third-rate Power by the mere dwindling of her population.

There is no subject on which prophecy is more hazardous, if we may judge from past efforts in this direction. The factors which control it are beyond prediction. The statistician who tells us that the population of England and Wales will be reduced to less than 5,000,000 in a hundred years is as certainly wrong as Cobbett in his forecast of the nineteenth-century process. Long before that figure was reached, England, with her great industrial plant, would have become a paradise for immigrants and she would have replaced her relatively pure-blooded population with a mixture of races from Europe and beyond. Even while these prophecies were being uttered the birth-rate had shown a slight upward tendency, and if unemployment is mastered and better dwellings are provided, and if science opens up new prospects, the trend of population may defeat all present forecasts.

The new and incalculable factor is the practice of birth-control which, beyond doubt, has extended to all classes in recent years. Increasing desire for pleasure and luxury, rational fear of reducing the standard of living, shrinking from the pains and perils of motherhood, a greater sense of parental responsibility in a world which looks specially dangerous for the young, a slight but increasing cult of the eugenics which breed for quality and not for numbers, are all contributory causes. In Great Britain, where the population is already immensely beyond the so-called "optimum" figure which immigration authorities prescribe as the maximum for new countries, a stand-still in numbers, or even a slight decline, until the doors are reopened for emigration, would not necessarily be a sign of decadence. Precise knowledge on the subject is unattainable and preaching about it is useless. Dictators calling upon their peoples to increase their families and offering bribes to the fertile have apparently as little influence as ecclesiastics denouncing birth-control from the pulpit. It can only be said that the nations which deliberately reduce their populations to the point at which it threatens their industry, will either have to resign

themselves to a lower standard of life, or replenish their numbers from the more fertile populations. The latter process is already seen in France, which in normal years is a large importer of foreign labour. It must be added that if wars continued and great armies were still the test of power, the primacy would pass from the declining to the increasing nations, but in an age of air power and mechanized armies this result is less certain. In any case the tendency to diminish the rate of increase is common to all the great Powers.

But the prolongation of life which in recent years has kept the death-rate below the level of the birth-rate, has altered the balance between old and young and threatens a greater preponderance of the old and elderly. The effect of this will depend on whether the age of vigour is prolonged, or whether the longer life is merely the prolongation of senility. A large quantity of helpless senility must be a handicap to any community, and if that were the result of modern medicine and sanitary science the young to whom it would be a burden would have a serious grievance against the doctors and health inspectors who have brought it about. But it is possible to take a less gloomy view and to hope that the science which prolongs life will also prolong the age of vigour, and enable the old to make their contribution in proportion to their length of days. A feeling that the scales are weighted against the young has led in these years to a certain friction between youth and age, and youth has been presented to us as a self-conscious unit waging its own class-war against age. But paradoxically it is precisely this period which, in the novelty of its ideas, the challenge it has thrown to accepted institutions, and its readiness to break new ground, has most borne the marks of youth even, it may be said, juvenility. The most advanced of modern young men are often seen panting behind an aged theorist.

Throughout this period the British people have the appearance of being extraordinarily true to type. They do not surprise us as Italians or Germans or Russians do. They are tolerant, good humoured, kindly, suspicious of novelties, distrustful of theories unsupported by facts, but acting suddenly and formidably on the impact of facts, careless of foreign opinion, tenacious of their belief that their own institutions are best for them. Their faith in improvising or, as their critics say, "muddling through," survives many warnings and presents

serious obstacles to political planners. Now, as always, they have many critics and some of the most severe are of their own household. But the same good qualities that Emerson found to be "English traits" when he visited England eighty years ago, strike other visitors eighty years later, and it may be hoped that the limitation of outlook and blindness to social evils that he observed in the well-to-do have been somewhat corrected in the subsequent years. These years have brought trials and ordeals on a scale undreamt of in former days, and the story of how the British people bore them and rose above them will, I believe, seem to future generations one of the bravest chapters in their history.

APPENDICES

APPENDIX I

THE PRINCIPAL SOURCES OF HISTORY FOR THE PERIOD 1886-1935

I. OFFICIAL AND OTHER DOCUMENTS

British Documents on the Origins of the War, edited by Dr. G. P. Gooch and Professor Harold Temperley, 11 vols. (one volume to come).

German Documents: "Die Grosse Politik der Europäischen Kabinette," 40 vols., edited by A. Mendelssohn Bartholdy and others, English translation of selected documents by E. T. S. Dugdale published under the title of "German Diplomatic Documents." "Zur Europäischen Politik 1897-1914," unpublished documents, 5 vols., edited by Bernard Schweitzer.

Austrian Documents: "Österreich-Ungarns Aussenpolitik von der Bosnischen Krise 1908 bis zum Kriegsausbruch 1914," 9 vols., edited by Ludwig Bittner and Hans Uebersberger; "The Secret Treaties of Austria-Hungary," edited by A. F. Pribram, 2 vols. (English translation).

French Documents: "Documents Diplomatiques Français," 6 vols., issued by a "Commission de Publication," up to 1905 only; "Les Origines et les Responsabilités de la Grande Guerre," by Bourgeois et Pages, containing many unpublished documents; *Livres Jaunes* "L'Alliance Franco-Russe" and "Les Affaires Balkaniques."

Russian Documents: "Un Livre Noir, Diplomatie d'avant Guerre d'après les Documents des Archives Russes," 2 vols., published in Paris; "Entente Diplomacy and the World War," by B. De Siebert and G. A. Schreiner, founded on documents which came into M. De Siebert's possession as Secretary to the Russian Embassy in London and translated by him.

II BIOGRAPHY

"Queen Victoria's Letters," first three volumes (1930, 1931, and 1932), edited by G. E. Buckle (John Murray) from which a passage is quoted by permission on pp. 113-114; "The Queen and Mr. Gladstone," by P. Guedalla, 2 vols.

King Edward VII, Life by Sir Sidney Lee, 2 vols.

W. E. Gladstone, Life by John Morley, 3 vols.

Lord Salisbury, Life by Lady Gwendolen Cecil, 4 vols. (unfinished).

Lord Randolph Churchill, Life by Winston Churchill, 2 vols.; Memoir by Lord Rosebery, 1 vol.

Sir William Harcourt, Life by A. G. Gardiner, 2 vols.

Lord Rosebery, Life by Lord Crewe, 2 vols.

Sir Michael Hicks Beach, Life by Lady Victoria Hicks Beach, 2 vols.

Lord Lansdowne, Life by Lord Newton.

Duke of Devonshire, Life by Bernard Holland, 2 vols.

W. H. Smith, Life by Sir Herbert Maxwell.

Lord Goschen, Life by A. R. D. Elliot, 2 vols.

Sir Charles Dilke, Life by Stephen Gwynn and Gertrude M. Tuckwell.

Lord James of Hertford, Life by Lord Asquith.

APPENDIX I

- Sir George Otto Trevelyan, Life by G. M. Trevelyan.
 Lord Courtney, Life by G. P. G. Ch.
 C. S. Parnell, Life by Barry O'Brien, 2 vols.
 Joseph Chamberlain, Life by J. L. Garvin, 3 vols., unfinished.
 Sir Henry Campbell-Bannerman, Life by J. A. Spender, 2 vols.
 Lord Oxford and Asquith, Life by J. A. Spender and Cyril Asquith, 2 vols.
 The Milner Paper, edited by Cecil Headlam, 2 vols.
 Lord Cromer, Life by Lord Zetland, 2 vols.
 Lord Halsbury, Life by Mrs. Wilson Fox.
 Lord Ripon, Life by Lucien Wolf.
 Lord Curzon, Life by Lord Zetland, 3 vols.
 Lord Wolverhampton (Sir H. H. Fowler), Life by Edith H. Fowler.
 Cecil Rhodes, Official Life by Sir L. Michell; other biographies by Basil Williams and Sarah G. Mallin.
 Randall Davidson, Archbishop of Canterbury, Life by Dr. G. K. A. Bell, Bishop of Chichester, 2 vols.
 Lord Fisher or Kilverstone, Life by Admiral R. A. S. Bacon.
 John Redmond, Life by Denis Gwynn.
 Lord Carson, Life by Ian Colvin, Vol. II.
 Lord Birkenhead, Life by the 2nd Lord Birkenhead.
 Lord Gladstone, Life by Sir Charles Mallet.
 C. P. Scott, Life by J. L. Hammond.
 George Wyndham, Life by J. W. Mackail and Guy Wyndham.
 Lord Carnock, Life by Harold Nicolson.
 Lord Esher, Journals and Letters, 2 vols., edited by Maurice V. Brett.

III. AUTOBIOGRAPHY AND REMINISCENCES

- H. H. Asquith "Genesis of the War," 1 vol. "Fifty Years of Parliament," 2 vols., "Memories and Reflections," 2 vols.
 D. Lloyd George "War Memoirs," 4 vols. (more to follow).
 Lord Morley of Blackburne. "Recollections," 2 vols.; "Memorandum on Resignation," 1 vol.
 Lord Grey of Fallodon. "Twenty-five Years," 2 vols.
 Lord Haldane: "An Autobiography," 1 vol.; "Before the War," 1 vol.
 Winston Churchill: "The World Crisis," 5 vols.
 Margot Asquith "Autobiography," 2 vols.
 Austen Chamberlain. "Down the Years".
 Lord Snowden: "Autobiography," 2 vols.
 G. V. Barnes "From Workshop to War Cabinet".
 Lord George Hamilton. "Parliamentary Reminiscences and Reflections," 2 vols.
 A. J. Balfour: "Chapters of Autobiography," 1 vol. (unfinished).
 Sir Algernon West "Private Diaries," edited by H. S. Hutchinson.
 Lord Rennell: "Political and Social Reminiscences," 2 vols.
 Lord Bertie: "Diaries 1914-1918."
 Sir George Buchanan "My Mission to Russia."
 Wickham Steed "Through Thirty Years."
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 J. A. Spender "Life, Journalism and Politics," 1886 to 1925.
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 Prince Bulow: "Memoirs," 3 vols. (English translation).
 Baron von Eckardstein "Lebenserinnerungen und Politische Denkwürdigkeiten," 3 vols. Selections translated into English under title of "Ten Years at the Court of St. James."

PRINCIPLE SOURCES OF HISTORY

- Ex-Kaiser: *Memoirs*.
 Hitler: *Mein Kampf*.
 K. F. Nowak: "Das Dritte Deutsche Kaiserreich," 2 vols. Translated into English under titles: vol. 1 "Kaiser and Chancellor," vol. 2 "Germany's Road to Ruin." (Supposed to represent the views of the ex-Kaiser).
 Prince Lichnowsky: "My Mission to London," and "Heading for the Abyss" (English translations).
 Poincaré: *Memoirs*, 4 vols., and "Origins of the War" (English translations).
 Baron Beyens: "Germany Before the War" (English translation).
 A. P. Isvolsky: *Memoirs* (English translation).
 Sazonoff: "Fateful Years" (English translation).
 Count Witte: *Memoirs* (English translation).
 Walter H. Page: *Life* by Burton J. Hendrick, 2 vols.

IV. WORKS BEARING ON THE WAR AND THE PEACE CONFERENCE

- Official Military History of the War, edited by Brig.-General J. E. Edmonds (incomplete); "History of Naval Operations," by Sir Julian Corbett and Sir Henry Newbolt; "The War in the Air," by Sir Walter Raleigh and H. A. Jones, 4 vols.; "The Merchant Navy," by Sir Archibald Hurd, 3 vols.
 Lord Kitchener, *Life* by Sir George Arthur, 3 vols.
 Lord French, *Life* by the Hon. E. G. F. French.
 Lord Haig, *Life* by Duff Cooper, 2 vols.
 D. Lloyd George: "War Memoirs," 4 vols. (more to follow).
 Sir Henry Wilson: "Life and Diaries," Edited by Major-General Sir C. E. Caldwell, 2 vols.
 Sir William Robertson: "Soldiers and Statesmen," 2 vols.
 Lord Jellicoe: "The Grand Fleet 1914-1916," 2 vols.; "The Crisis of the Naval War."
 Admiral W. S. Sims and B. J. Kendrick: "The Victory at Sea."
 Sir Ian Hamilton: "Gallipoli Diary."
 Brig.-General E. L. Spears: "Liaison."
 T. E. Lawrence: "Revolt in the Desert"; "The Seven Pillars of Wisdom."
 Joffre: "Memoirs," 3 vols. partly translated.
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 Ludendorff: "My War Memories," 2 vols. (English translation).
 Conrad von Hötzen: "Aus Meiner Dienstzeit," 4 vols.
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 Admiral Tirpitz: "My Memoirs," 2 vols. (English translation).
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 President Wilson: "Woodrow Wilson and World Settlement," by Ray Stannard Baker, 3 vols.
 Lansing: "Peace Negotiations at Paris and the Big Four," 1 vol.
 Colonel E. M. House: "Intimate Papers," 4 vols., edited by Professor Seymour;
 "What Really Happened at Paris," accounts of the Peace Conference by American eye-witnesses, edited by Colonel House.
 Tardieu: "The Truth about the Treaty" (English translation).
 Harold Nicolson: "Peace-making 1919."
 J. M. Keynes: "Economic Consequences of the Peace"; "A Revision of the Treaty."
 F. H. Simonds: "How Europe made Peace without America."
 Lord D'Abernon: "An Ambassador of Peace."

APPENDIX I

V. HISTORIES AND SURVEYS

The above all contain either original documents or first-hand contributions to the history of fact. Among the numerous histories and historical studies surveying this material may be mentioned Brandenburg's "From Bismarck to the Great War" (English translation)—G. P. Gooch's "History of Modern Europe 1878-1919"; "Recent Revelations of European Diplomacy," four editions; "Studies in Modern History"; "Before the War," 1 vol. (and to come)—J. A. Spender's "Fifty Years of Europe"—Dr. Seton Watson's "Serajevo"—H. A. L. Fisher's "History of Europe," Vol. III.—Professor S. B. Fay's "Origins of the World War," 2 vols.—Sir J. A. Marriot's "History of Europe from 1815 to 1923"; "Modern England" 1885-1925—R. C. K. Ensor's "England 1870-1914"—Elie Halévy's "History of the English People," Epilogue, Vol. I, 1905-1915 (English translation)—Commander Stephen King Hall's "Our Own Times"—John Buchan's "History of the Great War," 4 vols.—C. R. Cruttwell's "History of the Great War"—B. H. Liddell Hart's "The Real War"—E. L. Woodward's "Great Britain and the German Navy" (1935)—Several monographs in "Harvard Historical Studies" series, especially J. V. Fuller's "Bismarck's Diplomacy at its Zenith" and W. L. Langer's "Franco-Russian Alliance"—A. J. Toynbee's "Survey of International Affairs," published annually by the Royal Institute of International Affairs, an indispensable source for current events.

VI. ECONOMIC AND SOCIAL

For recent economic history, the "World Economic Surveys," published annually by the Economic International Section of the League of Nations, are indispensable. There is an immense literature of the subject, but the following may specially be mentioned: J. M. Keynes's "Economic Consequences of the Peace"; J. W. Wheeler-Bennett's "Wreck of Reparations"; A. L. Bowley's "Some Economic Consequences of the Great War"; Lionel Robbins's "The Great Depression"; Sir Walter T. Layton's "Introduction to the Study of Prices"; T. E. Gregory's "The Gold Standard and Its Future"; Dr. C. R. Fay's "Great Britain from Adam Smith to the Present Day"; Dr. Gilbert Slater's "Growth of Modern England"; Sir Arthur Salter's "Recovery, the Second Effort"; H. G. Wells's the "Work, Wealth and Happiness of Mankind"; Sir Daniel Hall's "Agriculture After the War"; the Reports of many public inquiries by Royal Commissions and Committees into the conditions of the Coal Trade, the Cotton Trade, the Iron and Steel Industry, Agriculture, the Shipping and other Industries, and especially the Reports of the Macmillan Committee on Industry and Finance and of the Committee on National Expenditure (May Report CMD. 3920, 1931). For recent social history two works are specially valuable: The "New Survey of London Life and Labour," edited by Sir H. Llewellyn Smith and "Canon Barnett, His Life, Work and Friends," 2 vols., by Dame Henrietta Barnett.

APPENDIX II

BRITISH CABINETS 1886-1935

MR. GLADSTONE'S THIRD ADMINISTRATION

FEBRUARY 6, 1886 TO AUGUST 3, 1886

1. First Lord of the Treasury and Lord
Privy Seal Mr. Gladstone.
2. President of the Council. Earl Spencer.
3. Lord Chancellor Lord Herschell.
4. Chancellor of the Exchequer . . . Sir W. Vernon Harcourt.
5. Home Secretary Mr. Childers.
6. Foreign Secretary Earl of Rosebery.
7. Colonial Secretary Lord Granville, Leader in House
of Lords.
8. War Secretary Mr. Campbell-Bannerman.
9. Secretary for India Earl of Kimberley.
10. First Lord of the Admiralty . . . Marquis of Ripon.
11. Secretary for Scotland { Sir Geo. Trevelyan, resigned.
Marquis of Dalhousie, March,
1886. Not in Cabinet.
12. Chief Secretary for Ireland . . . Mr. John Morley.
13. President of Board of Trade. . . Mr. Mundella.
14. President of Local Government Board { Mr. J. Chamberlain, resigned.
Mr. Stansfeld, March, 1886.

APPENDIX II

LORD SALISBURY'S SECOND ADMINISTRATION

AUGUST 3, 1886 TO AUGUST 18, 1892

	{ Marquis of Salisbury.
1. First Lord of the Treasury	{ Mr. W. H. Smith, from Jan., 1887, and Leader in House of Commons. Died October 6, 1891.
	{ Mr. A. J. Balfour, from Oct., 1891.
2. Lord Chancellor	Lord Halsbury.
3. Lord President of the Council	Viscount Cranbrook.
4. Lord Privy Seal	Earl Cadogan.
5. Chancellor of the Exchequer	Lord Randolph Churchill, Leader in House of Commons, resigned Jan., 1887.
	Mr. G. J. Goschen, succeeded.
6. Home Secretary	Mr. Matthews.
	{ Earl of Iddesleigh, resigned Jan., 1887. ^c
7. Foreign Secretary	{ Marquis of Salisbury.
	{ Mr. Stanhope.
8. Colonial Secretary	{ Sir H. Holland, from Jan., 1887.
9. Secretary for India	Viscount Cross.
	{ Mr. W. H. Smith.
10. War Secretary	{ Mr. Stanhope.
11. First Lord of the Admiralty	Lord Geo. Hamilton.
12. Lord Chancellor for Ireland	Lord Ashbourne.
	{ Sir M. Hicks Beach, resigned March, 1887.
13. Chief Secretary for Ireland	{ Mr. A. J. Balfour.
	{ Mr. W. L. Jackson, from Oct., 1891, without seat in Cabinet.
	{ Lord Stanley of Preston, appointed Governor-General of Canada Feb., 1888.
14. President of the Board of Trade	{ Sir M. Hicks Beach, Feb., 1888.
15. Chancellor of the Duchy of Lancaster	Lord John Manners.
16. President of Local Government Board	Mr. Ritchie.

BRITISH CABINETS 1886-1935

MR. GLADSTONE'S FOURTH ADMINISTRATION

AUGUST 18, 1892 TO MARCH 2, 1894

1. First Lord of the Treasury . . . Mr. Gladstone.
2. Lord Chancellor . . . Lord Herschell.
3. Lord President of Council . . . Earl of Kimberley.
4. Chancellor of the Exchequer . . . Sir W. V. Harcourt.
5. Home Secretary . . . Mr. H. H. Asquith
6. Foreign Secretary . . . Earl of Rosebery.
7. Colonial Secretary } . . . Marquis of Ripon.
8. War Secretary . . . Mr. H. Campbell-Bannerman
- (Secretary for India . . . Earl of Kimberley).
9. Secretary for Scotland . . . Sir George Trevelyan.
10. First Lord of the Admiralty . . . Earl Spencer.
11. Chief Secretary for Ireland . . . Mr. John Morley.
12. Postmaster-General . . . Mr. Arnold Morley.
13. President of Board of Trade . . . Mr. Mundella.
14. Chancellor of Duchy of Lancaster . . . Mr. Bryce.
15. Vice-President of the Council (Education) . . . Mr. A. H. Acland.
16. President of Local Government Board . . . Mr. H. H. Fowler.
17. First Commissioner of Works . . . Mr. J. Shaw Lefevre.

APPENDIX II

LORD ROSEBERY'S ADMINISTRATION

MARCH 3, 1894 TO JUNE 22, 1895

1. First Lord of the Treasury and President of the Council Earl of Rosebery.
2. Lord Chancellor Lord Herschell.
3. Lord Privy Seal Lord Tweedmouth.
4. Chancellor of the Exchequer . . Sir W. W. Harcourt, Leader in House of Commons.
5. Home Secretary Mr. Asquith.
6. Foreign Secretary Earl of Kimberley.
7. Colonial Secretary Marquis of Ripon.
8. War Secretary Mr. Campbell-Bannerman.
9. Secretary for India Mr. Henry Fowler.
10. First Lord of the Admiralty . . Earl Spencer.
11. Chief Secretary for Ireland . . Mr. John Morley.
12. Secretary for Scotland . . . Sir Geo. Trevelyan.
13. President of Board of Trade . . Mr. Mundella.
14. President of Local Government Board Mr. Shaw Lefevre.
15. Postmaster-General Mr. A. Morley.
16. Vice-President of Committee of Council on Education . . . Mr. Acland.
17. Chancellor of Duchy of Lancaster . Mr. Bryce.

LORD SALISBURY'S THIRD ADMINISTRATION

JULY 2, 1895 TO SEPTEMBER, 1900

1. Premier and Foreign Secretary . . Marquis of Salisbury.
2. Lord President of the Council . . Duke of Devonshire.
3. Lord Chancellor Lord Halsbury.
4. Lord Privy Seal Viscount Cross.
5. Chancellor of the Exchequer . . Sir Michael Hicks Beach.
6. Home Secretary Sir Matthew White Ridley.
7. Colonial Secretary Mr. Joseph Chamberlain.
8. Secretary for War Marquis of Lansdowne.
9. Secretary for India Lord George Hamilton.
10. Secretary for Scotland Lord Balfour of Burleigh.
11. First Lord of the Admiralty . . Mr. Goschen.
12. First Lord of the Treasury . . . Mr. A. J. Balfour, Leader in House
of Commons.
13. Lord-Lieutenant of Ireland . . . Earl Cadogan.
14. Lord Chancellor of Ireland . . . Lord Ashbourne.
15. President of Board of Trade . . Mr. C. T. Ritchie.
16. Chancellor of Duchy of Lancaster . Lord James of Hereford.
17. President of Local Government Board . Mr. Henry Chaplin.
18. President of Board of Agriculture . Mr. W. H. Long.
19. First Commissioner of Works and
Public Buildings Mr. A. Akers Douglas.

APPENDIX II

LORD SALISBURY'S THIRD ADMINISTRATION (*Continued*)

OCTOBER, 1900 TO JULY 11, 1902

1. First Lord of the Treasury and Lord
Privy Seal Lord Salisbury.
2. Lord Chancellor Earl of Halsbury.
3. Lord President of Council . . . Duke of Devonshire.
4. Chancellor of the Exchequer . . Sir M. Hicks Beach.
5. Foreign Secretary Lord Lansdowne.
6. Colonial Secretary Mr. Chamberlain.
7. Secretary for India Lord George Hamilton.
8. Home Secretary Mr. Ritchie.
9. Secretary for War Mr. Brodrick.
10. First Lord of Admiralty Lord Selborne.
11. Lord Chancellor of Ireland . . . Lord Ashbourne.
12. Secretary for Scotland Lord Balfour of Burleigh.
13. Chancellor of the Duchy of Lancaster Lord James of Hereford.
14. President of Board of Trade . . Mr. Gerald Balfour.
15. President of the Local Government
Board Mr. Walter Long.
16. President of the Board of Agriculture Mr. R. W. Hanbury.
17. First Commissioner of Works . . Mr. Akers-Douglas.
18. Chief Secretary for Ireland . . Mr. George Wyndham.
19. Postmaster-General Lord Londonderry.

BRITISH CABINETS 1886-1935

MR. BALFOUR'S ADMINISTRATION

JULY, 1902 TO DECEMBER 4, 1905

1. First Lord of the Treasury and Prime Minister	Mr Balfour
2. Lord Chancellor	Lord Halsbury
3. Lord President of Council	{Duke of Devonshire (1903) {Lord Londonderry (1903)
4. Lord Privy Seal	Lord Salisbury
5. Chancellor of the Exchequer	{Mr Ritchie {Mr Austen Chamberlain (1903).
6. Foreign Secretary	Lord Lansdowne
7. Colonial Secretary	{Mr Joseph Chamberlain. {Mr Lyttelton (1903).
8. Secretary for India	{Lord George Hamilton. {Mr Brodrick (1903)
9. Home Secretary	Mr Akers-Douglas.
10. Secretary for War	{Mr Brodrick {Mr Arnold Forster (1903)
11. First Lord of Admiralty	{Lord Selborne {Lord Cawdor (1905).
12. Lord Chancellor of Ireland	Lord Ashbourne
13. Secretary for Scotland	{Lord Balfour of Burleigh. {Mr Graham Murray (1903).
14. President of Board of Trade	{Mr Gerald Balfour. {Lord Salisbury (1905)
15. President of Local Government Board	{Mr Long {Mr Gerald Balfour (1905) {Mr Hanbury
16. President Board of Agriculture	{Lord Onslow {Mr. Ailwyn Fellowes
17. President of the Board of Education	Lord Londonderry
18. First Commissioner of Works	Lord Plymouth
19. Chief Secretary for Ireland	{Mr G Wyndham. {Mr Long (1905)
20. Postmaster-General	{Mr. Austen Chamberlain. {Lord Stanley (1903)
21. Chancellor of the Duchy of Lancaster	Sir William Walrond.

APPENDIX II

SIR HENRY CAMPBELL-BANNERMAN'S ADMINISTRATION

DECEMBER, 1905 TO APRIL, 1908

1. Prime Minister	Sir Henry Campbell-Bannerman.
2. Lord Chancellor	Lord Loreburn.
3. Lord President of Council	Earl of Crewe.
4. Lord Privy Seal	Marquis of Ripon.
5. Chancellor of Exchequer	Mr. Asquith.
6. Foreign Secretary	Sir Edward Grey.
7. Colonial Secretary	Earl of Elgin.
8. Secretary for India	Mr. John Morley.
9. Home Secretary	Mr. Herbert Gladstone.
10. Secretary for War	Mr. Haldane.
11. First Lord of Admiralty	Lord Tweedmouth.
12. Secretary for Scotland	Mr. John Sinclair.
13. Chancellor of the Duchy	Sir Henry Fowler.
14. President, Board of Trade	Mr. Lloyd George.
15. President, Local Government Board.	Mr. John Burns.
16. President, Board of Agriculture .	Earl Carrington.
17. President, Board of Education . .	{ Mr. Augustine Birrell. { Mr. R. McKenna (1907).
18. Chief Secretary, Ireland &	{ Mr. Bryce. { Mr. Birrell (1907).
19. Postmaster-General	Mr. Sydney Buxton.

BRITISH CABINETS 1886-1935

MR. ASQUITH'S ADMINISTRATION

	1908 TO 1915
1. Prime Minister	Mr. Asquith.
2. Lord Chancellor	Lord Loreburn. Lord Haldane (1912).
3. Lord President of Council	Lord Tweedmouth. Lord Wolverhampton (1908).
4. Lord Privy Seal	Lord Morley (1910). Lord Beauchamp (1914). Lord Ripon. Lord Crewe (1908). (Continued also as Colonial Secretary till 1910.) Lord Carrington (1911). Lord Crewe (1912).
5. Chancellor of Exchequer	Mr. Lloyd George.
6. Foreign Secretary	Sir Edward Grey.
7. Colonial Secretary	Lord Crewe. Mr. Lewis Harcourt (1910).
8. Secretary for India	Lord Morley. Lord Crewe (1910).
9. Home Secretary	Mr. H. Gladstone. Mr. Churchill (1910). Mr. McKenna (1911). Lord Haldane.
10. Secretary for War	Col. Seely (1912). Mr. Asquith (1914). Lord Kitchener (1914). Mr. McKenna.
11. First Lord, Admiralty	Mr. Churchill (1911).
12. Secretary for Scotland	Mr. Sinclair (Lord Pentland). Mr. T. McKinnon Wood (1912). Lord Wolverhampton. Lord Fitzmaurice (1908).
13. Chancellor of the Duchy	Mr. H. Samuel (1909). Mr. J. A. Pease (1910). Mr. C. E. Hobhouse (1911). Mr. Masterman (1914). Mr. Churchill.
14. President of the Board of Trade	Mr. S. Buxton (1910). Mr. Jno Burns (1914). Mr. Runciman (1914). Mr. Jno Burns.
15. President of the Local Government Board	Mr. H. Samuel (1914). Lord Carrington.
16. President of the Board of Agriculture	Mr. Runciman (1911). Lord Lucas (1914). Mr. McKenna.
17. President of the Board of Education	Mr. Runciman (1908). Mr. Pease (1911). Mr. Lewis Harcourt.
18. First Commissioner of Works	Lord Beauchamp (1910). Lord Emmott (1914).
19. Chief Secretary for Ireland	Mr. Birrell. Mr. S. Buxton.
20. Postmaster-General	Mr. H. Samuel (1910). Mr. C. E. Hobhouse (1914).

APPENDIX II

FIRST COALITION

MAY 26, 1915 TO DECEMBER 5, 1916

1. Prime Minister and First Lord of the Treasury Mr. Asquith.
2. Lord President of Council . . . Marquis of Crewe.
3. Chancellor of the Exchequer . . . Mr. McKenna.
4. Minister without Portfolio . . . Marquis of Lansdowne.
5. Lord Chancellor Lord Buckmaster.
6. Lord Privy Seal Earl Curzon.
7. Foreign Secretary Viscount Grey.
8. Colonial Secretary Mr. Bonar Law.
9. Secretary for India Mr. Chamberlain.
10. Home Secretary { Sir J. Simon.
Mr. H. Samuel (1916).
11. Secretary for War { Earl Kitchener.
Mr. Lloyd George (1916).
12. First Lord of Admiralty Mr. Balfour.
(Mr. McKinnon Wood.
13. Secretary for Scotland { Mr. H. J. Tennant (1916).
Mr. Churchill.
Mr. H. Samuel.
Mr. E. S. Montagu (1916, January).
Mr. McKinnon Wood (1916, July).
14. Chancellor of the Duchy { Mr. Runciman.
15. President, Board of Trade { Mr. Lloyd George.
Mr. E. S. Montagu (1916).
16. Minister of Munitions of War . . . { Mr. Lloyd George.
Mr. E. S. Montagu (1916).
17. Minister of Blockade and Foreign Parliamentary Secretary . . . Lord Robert Cecil.
18. President, Local Government Board Mr. Long.
19. President, Board of Agriculture . . { Earl of Selborne.
Earl of Crawford (1916).
20. President, Board of Education . . { Mr. Arthur Henderson.
Marquis of Crewe (1916).
21. First Commissioner of Works . . . Mr. Harcourt.
22. Chief Secretary, Ireland { Mr. Birrell.
Mr. Duke (1916).
23. Financial Secretary to Treasury . . { Mr. E. S. Montagu (not in
Cabinet).
Mr. McKinnon Wood (in Cabinet)
24. Paymaster-General Mr. Arthur Henderson.
25. Attorney-General { Sir Edward Carson.
Sir F. E. Smith (1915).

SECOND COALITION

DECEMBER 7, 1916 TO JANUARY 10, 1919

1. Prime Minister and First Lord of the Treasury. Mr. Lloyd George.
2. Lord President of Council . . . Earl Curzon.
3. Chancellor of the Exchequer . . Mr. Bonar Law. -
Viscount Milner.
Mr. Arthur Henderson.
4. Ministers without Portfolio . . . { Mr. G. N. Barnes (1917).
Sir E. Carson (1917).
General Smuts (1917).
Mr. Austen Chamberlain (1918).

APPENDIX II

MR. LLOYD GEORGE'S POST-WAR ADMINISTRATION

JANUARY, 1919 TO OCTOBER, 1922.

1. Prime Minister and First Lord of the Treasury Mr. Lloyd George.*
2. Lord Privy Seal { Mr. Bonar Law.*
Mr. Austen Chamberlain (1921).
3. Lord President of the Council { Earl Curzon.*
Mr. Balfour (1919).
4. Chancellor of the Exchequer { Mr. Austen Chamberlain.*
Sir Robert Horne (1921).
5. Ministers without Portfolio { Mr. G. N. Barnes.*
Sir L. Worthington Evans (1919).
6. Lord Chancellor { Dr. C. Addison (1921).
Lord Birkenhead.
7. Home Secretary Mr. E. Shortt.
8. Foreign Secretary Earl Curzon.
9. Colonial Secretary { Lord Milner.
Mr. Winston Churchill (1921).
10. Secretary for India { Mr. E. S. Montagu.
Lord Peel (1922).
11. Secretary for War { Mr. Winston Churchill.
Sir L. Worthington-Evans (1921).
12. First Lord of the Admiralty { Mr. Walter Long.
Lord Lee of Fareham (1921).
13. President of the Board of Trade { Sir A. Geddes.
Sir Robert Horne (1920).
14. Minister of Health { Mr. Stanley Baldwin (1921).
Dr. C. Addison.
15. Minister of Agriculture { Sir A. Mond (1921).
Lord Lee of Fareham.
16. Minister of Transport { Sir A. Griffith-Boscawen (1921).
Sir Eric Geddes (till 1921).
17. President, Board of Education Mr. H. A. L. Fisher.
18. Minister of Labour { Sir Robert Horne.
Dr. T. J. Macnamara (1920).
19. Secretary for Scotland Mr. R. Munro.
20. Lord-Lieutenant of Ireland Earl French (till 1921).
21. Chief Secretary for Ireland Sir Hamar Greenwood (1920).
22. Attorney-General Sir Gordon Hewart (1921).

* Until October 1919, the Cabinet contained only Mr. Lloyd George, Earl Curzon, Mr. Bonar Law, Mr. Austen Chamberlain and Mr. Barnes.

BRITISH CABINETS 1886-1935

MR. BONAR LAW'S ADMINISTRATION

OCTOBER, 1922 TO MAY, 1923

1. Prime Minister and First Lord of the Treasury. Mr. Bonar Law.
2. Lord President of the Council . . Marquis of Salisbury.
3. Lord Chancellor. Viscount Cave.
4. Home Department, Secretary of State Mr. W. C. Bridgeman.
5. Foreign Affairs, Secretary of State. Marquis Curzon.
6. Colonies, Secretary of State. . . Duke of Devonshire.
7. War Office, Secretary of State. . . Earl of Derby.
8. India Office, Secretary of State. . Viscount Peel.
9. Admiralty, First Lord Mr. L. C. M. S. Amery.
10. Board of Trade, President Sir P. Lloyd-Greame.
11. Ministry of Agriculture and Fisheries,
President. Sir R. A. Sanders, Bart.
12. Board of Education, President . . Hon. E. F. L. Wood.
13. Minister of Health { Sir S. A. T. Griffith-Boscawen.
Mr. N. Chamberlain (1923).
14. Minister of Labour Sir M. Barlow.
15. Chancellor of the Exchequer . . Mr. S. Baldwin.
16. Secretary of State for Scotland . Viscount Novar.

APPENDIX II

MR. BALDWIN'S ADMINISTRATION

MAY, 1923 TO JANUARY, 1924

1. Prime Minister	Mr. Stanley Baldwin.
2. Lord Privy Seal	Lord Robert Cecil.
3. Lord President of the Council . .	The Marquis of Salisbury.
4. Lord Chancellor	Viscount Cave.
5. Chancellor of the Exchequer . .	{ Mr. Stanley Baldwin. Mr. N. Chamberlain (1923).
6. Home Secretary	Mr. W. C. Bridgeman.
7. Foreign Secretary	The Marquis Curzon of Kedleston.
8. Colonial Secretary	The Duke of Devonshire.
9. Secretary for India	Viscount Peel.
10. Secretary for War	The Earl of Derby.
11. First Lord of the Admiralty . .	Mr. L. C. M. S. Amery.
12. Secretary for Air	Sir Samuel Hoare.
13. President of the Board of Trade .	Sir P. Lloyd-Greame.
14. Minister of Health	{ Mr. Neville Chamberlain. Sir W. Joynson-Hicks (1923).
15. Minister of Agriculture	Sir Robert Sanders.
16. Secretary for Scotland	Viscount Novar.
17. President of the Board of Education	Mr. E. F. L. Wood.
18. Minister of Labour	Sir Montagu Barlow.
19. Financial Secretary to the Treasury	Sir W. Joynson-Hicks.

MR. RAMSAY MACDONALD'S FIRST ADMINISTRATION

JANUARY, 1924 TO NOVEMBER 4, 1924

1. Prime Minister and First Lord of the Treasury Mr. J. Ramsay MacDonald.
2. Lord Privy Seal and Leader of the House of Commons Mr. J. R. Clynes.
3. Lord President of the Council . . Lord Parmoor.
4. Lord Chancellor Viscount Haldane.
5. Home Secretary Mr. A. Henderson.
6. Foreign Secretary Mr. J. Ramsay MacDonald.
7. Colonial Secretary Mr. J. H. Thomas.
8. Secretary for Air Lord Thomson.
9. Secretary for India Lord Olivier.
10. President of Board of Trade . . Mr. Sidney Webb.
11. Minister of Agriculture and Fisheries. Mr. Noel Buxton.
12. President of the Board of Education. Mr. C. P. Trevelyan.
13. Minister of Health Mr. J. Wheatley.
14. Minister of Labour Mr. T. Shaw.
15. Chancellor of the Duchy of Lancaster Mr. J. C. Wedgwood.
16. First Commissioner of Works . . Mr. F. W. Jowett.
17. Postmaster-General Mr. V. Hartshorn.
18. Chancellor of the Exchequer . . Mr. Philip Snowden.
19. Secretary for Scotland Mr. W. Adamson.
20. Secretary for War Mr. S. Walsh.
21. First Lord of the Admiralty . . Lord Chelmsford.

APPENDIX II

MR. BALDWIN'S SECOND ADMINISTRATION

NOVEMBER, 1924 TO JUNE, 1929

1. Prime Minister and First Lord of the Treasury Mr. Stanley Baldwin.
2. Lord Privy Seal Marquis of Salisbury.
3. Lord President of the Council . . {Marquis Curzon of Kedleston.
Lord Balfour (1925).
4. Lord Chancellor {Viscount Cave.
Viscount Hailsbam (1928).
5. Home Secretary Sir W. Joynson-Hicks, Bart.
6. Foreign Secretary Mr. Austen Chamberlain.
7. Colonial Secretary Mr. L. C. M. S. Amery.
8. Secretary for War Sir L. Worthington Evans, Bart.
9. Secretary for Air Sir S. Hoare, Bart.
10. Secretary for India {Earl of Birkenhead.
Viscount Peel (1928).
11. First Lord of the Admiralty . . . Mr. W. C. Bridgeman.
12. President of Board of Trade . . . Sir P. Cunliffe-Lister.
13. President of Agriculture and Fisheries {Hon. E. F. L. Wood.
Col. W. E. Guinness (1925)
14. President of Board of Education. . Lord Eustace Percy.
15. Minister of Health Mr. Neville Chamberlain.
16. Minister of Labour Sir A. Steel-Maitland, Bart.
17. Chancellor of the Duchy of Lancaster {Viscount Cecil of Chelwood.
Lord Cushendun (1927).
18. First Commissioner of Works . . {Viscount Peel.
Marquis of Londonderry (1928).
19. Attorney-General Sir D. M. Hogg (till 1921).
20. Chancellor of the Exchequer . . . Mr. Winston Churchill.
21. Secretary for Scotland Sir J. Gilmour.

APPENDIX II

NATIONAL GOVERNMENT

AUGUST TO OCTOBER, 1931

1. Prime Minister and First Lord of the Treasury. Mr. J. Ramsay MacDonald.
2. Lord President of the Council . . Mr. Stanley Baldwin.
3. Lord Chancellor Lord Sankey.
4. Home Secretary Sir Herbert Samuel.
5. Foreign Secretary Marquis of Reading.
6. Dominions and Colonial Secretary. Mr. J. H. Thomas.
7. Secretary for India Sir S. Hoare, Bart.
8. President of Board of Trade . . Sir P. Cunliffe-Lister.
9. Minister of Health Mr. Neville Chamberlain.
10. Chancellor of the Exchequer . . Mr. P. Snowden.

BRITISH CABINETS 1886-1935

NATIONAL GOVERNMENT

RECONSTITUTED, NOVEMBER, 1931 TO JUNE, 1935

1. Prime Minister and First Lord of the Treasury Mr. J. Ramsay MacDonald
2. Lord President of the Council . . . Mr. Stanley Baldwin.
3. Lord Privy Seal { Viscount Snowden.
Mr. Stanley Baldwin (1932).
Mr. R. A. Eden (1934).
4. Lord Chancellor Viscount Sankey.
5. Home Secretary { Sir Herbert Samuel.
Sir John Gilmour, Bart. (1932).
6. Foreign Secretary Sir John Simon.
7. Dominion Secretary Mr. J. H. Thomas.
8. Colonial Secretary Sir P. Cunliffe-Lister.
9. Secretary for War Lord Hailsham.
10. Air Ministry Marquis of Londonderry.
11. Secretary for India Sir S. Hoare, Bart.
12. First Lord of the Admiralty . . . Sir B. M. Eyres Monsell.
13. President of the Board of Trade . . Mr. Walter Runciman.
14. Minister of Health Sir E. Hilton Young.
15. President Board of Education . . { Sir Donald Maclean.
Lord Irwin (1932).
16. Minister of Labour { Sir H. B. Bergerton, Bart.
Lt. Oliver Stanley (1934).
17. Minister of Agriculture and Fisheries. { Sir J. Gilmour, Bart.
Mr. W. E. Elliot (1932).
18. First Commissioner of Works . . . Mr. W. Ormsby-Gore.
19. Chancellor of the Exchequer . . . Mr. N. Chamberlain.
20. Secretary for Scotland { Sir A. Sinclair, Bart.
Sir Godfrey Collins (1932).
21. Postmaster-General Sir Kingsley Wood.

When a date appears after the name of a Minister, it signifies that he assumed that office at that date.

APPENDIX II

NATIONAL GOVERNMENT, 1935

	¹⁹³⁵⁻ National Government at the time of Ramsay MacDonald's resignation.	¹⁹³⁵⁻ Baldwin's new Cabinet an- nounced June 8.
1. Prime Minister and First Lord of the Treasury	Mr. J. Ramsay MacDonald	Mr. Stanley Baldwin
2. Lord President of the Council	Mr. Stanley Baldwin	Mr. J. Ramsay MacDonald
3. Chancellor of the Exchequer	Mr. Neville Chamberlain	Mr. Neville Chamberlain
4. Lord Chancellor	Lord Sankey	Lord Hailsham
5. Secretary of State for Home Affairs and Deputy Leader of the House of Commons	Sir John Gilmour	Sir John Simon
6. Secretary of State for Foreign Affairs	Sir John Simon	Sir Samuel Hoare, Bt.
7. Lord Privy Seal and Leader of the House of Lords	—	The Marquis of Londonderry
8. Secretary of State for War	Viscount Hailsham	Lord Halifax
9. Secretary of State for Dominion Affairs	Mr. J. H. Thomas	Mr. J. H. Thomas
10. Secretary of State for Air	The Marquis of Londonderry	Sir Philip Cunliffe-Lister
11. Secretary of State for India	Sir Samuel Hoare	Lord Zetland
12. Secretary of State for Scotland	Sir Godfrey Collins	Sir Godfrey Collins
13. Secretary of State for the Colonies	Sir Philip Cunliffe-Lister	Mr. Malcolm MacDonald
14. President of the Board of Trade	Mr. Walter Runciman	Mr. Walter Runciman
15. First Lord of the Admiralty	Sir Bolton Eyres Monsell	Sir Bolton Eyres Monsell
16. Minister without Portfolio for League of Nations Affairs	—	Mr. Anthony Eden
17. Minister without Portfolio	—	Lord Eustace Percy
18. Minister of Agriculture and Fisheries	Mr. Walter Elliot	Mr. Walter Elliot
19. President of the Board of Education	Lord Halifax	Mr. Oliver Stanley
20. Minister of Health	Sir E. Hilton Young	Sir Kingsley Wood
21. Minister of Labour	Mr. Oliver Stanley	Mr. Ernest Brown
22. First Commissioner of Works	Mr. W. Ormsby-Gore	Mr. W. Ormsby-Gore
23. Postmaster-General	Sir Kingsley Wood	(Not in Cabinet)

BRITISH CABINETS 1886-1935

NOVEMBER, 1935

AFTER GENERAL ELECTION

1. Prime Minister Mr. Stanley Baldwin.
2. Lord President of Council Mr. Ramsay MacDonald.
3. Chancellor of the Exchequer Mr. Neville Chamberlain.
4. Lord Chancellor Lord Hailsham.
5. Home Secretary and Deputy Leader of the
House of Commons Sir John Simon, K.C.
6. Foreign Secretary Sir Samuel Hoare.
7. Lord Privy Seal and Leader of the House
of Lords Lord Halifax.
8. Secretary for War Mr. A. Duff Cooper.
9. Dominions Secretary Mr. Malcolm MacDonald.
10. Secretary for Air Sir P. Cunliffe-Lister.
11. Secretary for India Lord Zetland.
12. Secretary for Scotland Sir Godfrey Collins.
13. Colonial Secretary Mr. J. H. Thomas.
14. President of the Board of Trade Mr. Walter Runciman.
15. First Lord of the Admiralty Sir Bolton Eyres Monsell.
16. Minister for League of Nations Affairs Mr. Anthony Eden.
17. Minister Without Portfolio Lord E. Percy.
18. Minister of Agriculture Mr. Walter Elliot.
19. President of the Board of Education Mr. Oliver Stanley.
20. Minister of Health Sir Kingsley Wood.
21. Minister of Labour Mr. Ernest Brown.
22. First Commissioner of Works Mr. Ormsby-Gore.

Subsequent Change :

Sir Samuel Hoare resigned Dec. 18, 1935.

Mr. Anthony Eden succeeded him as Foreign Secretary, announced Dec. 23.

Mr. Eden's old office discontinued.

APPENDIX III

PRESIDENT WILSON'S FOURTEEN POINTS

1. Open covenants of peace openly arrived at, after which there shall be no private international understandings of any kind, but diplomacy shall proceed always frankly and in the public view

2. Absolute freedom of navigation upon the seas outside territorial waters alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants.

3. The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace and associating themselves for its maintenance.

4. Adequate guarantees given and taken that national armaments will be reduced to the lowest point consistent with domestic safety

5. A free, open-minded and absolutely impartial adjustment of all colonial claims based upon a strict observance of the principle that in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is to be determined

6. The evacuation of all Russian territory, and such a settlement of all questions affecting Russia as will secure the best and freest co-operation of the other nations of the world in obtaining for her an unhampered and unembarrassed opportunity for the independent determination of her own political development and national policy, and assure her of a sincere welcome into the society of free nations under institutions of her own choosing, and more than a welcome assistance also of every kind that she may need and may herself desire. The treatment accorded Russia by her sister nations in the months to come will be the acid test of their goodwill, of their comprehension of her needs as distinguished from their own interests, and of their intelligent and unselfish sympathy.

7. Belgium, the whole world will agree, must be evacuated and restored without any attempt to limit the sovereignty which she enjoys in common with all other free nations. No other single act will serve as this will serve

PRESIDENT WILSON'S FOURTEEN POINTS

to restore confidence among the nations in the laws which they have themselves set and determined for the government of their relations with one another. Without this healing act the whole structure and validity of international law is for ever impaired.

8. All French territory should be freed, and the invaded portions restored, and the wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine, which has unsettled the peace of the world for nearly fifty years, should be righted in order that peace may once more be made secure in the interest of all.

9. A readjustment of the frontiers of Italy should be effected along clearly recognizable lines of nationality.

10. The peoples of Austria-Hungary, whose place among the nations we wish to see safeguarded and assured, should be accorded the freest opportunity of autonomous development.

11. Rumania, Serbia and Montenegro should be evacuated, occupied territories restored, Serbia accorded free and secure access to the sea, and the relation of the several Balkan States to one another determined by friendly counsel along historically established lines of allegiance and nationality, and international guarantees of the political and economic independence and territorial integrity of the several Balkan States should be entered into.

12. The Turkish portions of the present Ottoman Empire should be assured a secure sovereignty, but the other nationalities which are now under Turkish rule should be assured an undoubted security of life and an absolutely unmolested opportunity of autonomous development, and the Dardanelles should be permanently opened as a free passage to the ships and commerce of all nations under international guarantees.

13. An independent Polish State should be erected which should include the territories inhabited by indisputably Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant.

14. A general association of nations must be formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small States alike.

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